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Pacific Coast Regional Member Relations Conference

Sponsored by
American Institute of Cooperation
and Farmer Cooperative Service
U.S. Department of Agriculture



February 23-25, 1960
San Francisco, Calif.

FARMER COOPERATIVE SERVICE
U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON 25, D. C.

Joseph G. Knapp, Administrator

The Farmer Cooperative Service conducts research studies and service activities of assistance to farmers in connection with cooperatives engaged in marketing farm products, purchasing farm supplies, and supplying business services. The work of the Service relates to problems of management, organization, policies, financing, merchandising, product quality, costs, efficiency, and membership.

The Service publishes the results of such studies; confers and advises with officials of farmer cooperatives; and works with educational agencies, cooperatives, and others in the dissemination of information relating to cooperative principles and practices.

CONTENTS

SESSION I

	Page
<u>Why Are We Here?</u>	1
Alyce Lowrie	
<u>Components of a Good Member Relations Program</u>	
Jack Shepherd	2
<u>Application to a Small Cooperative</u>	
Rex Blodgett	9
<u>Application to a Large Cooperative</u>	
H. S. Dixon	12

SESSION II

<u>Motivation</u>	
C. K. Ferre	17
<u>How Are People Motivated?</u>	
S. S. Sutherland	18
<u>Motivating Members Through Meetings</u>	
Felton B. Browning	26
Ralph Bunje	29
<u>Motivating Members Through Printed Material</u>	
Ken Kitch	30
Walter Anderson	33
<u>Motivating Members Through Employees</u>	
Al Lamb	34
<u>Motivating Members Through Directors</u>	
Frank Melchior	36
<u>Could We Do It Better?</u>	
Calvin E. Bream	38
<u>Are Your Public Relations Showing?</u>	
Jack Pickett	38

SESSION III

<u>Some Special Aspects of the Member Relations Program</u>	
Edward Barmettler	41
<u>Member Relations - A Family Affair</u>	
Bruce Strachan	43
<u>Is Credit a Debit in Member Relations?</u>	
Lindsay A. Crawford	52
<u>Handling the Hot Potatoes</u>	
Alvin Carpenter	54
<u>You Take It From Here</u>	
J. K. Stern	55

FOREWORD

This Conference is the first one on the West Coast and the fifth of a series being held on a regional basis throughout the United States. The purpose of these Conferences is to bring together for an exchange of ideas and techniques men and women who are professionally engaged in the general field of cooperative member relations.

In some cases these participants are employed full time in cooperative member relations activities. In other cases they are men and women who, while employed in some other capacity, have developed an effective member relations program as a part of their overall work assignment.

The three basic phases of a member relations program are communication, motivation, and participation. The committee planning this Conference decided to focus attention and discussion on the general theme "Motivation for Member Participation." The following talks deal with various aspects of that theme. Future conferences will be built around other phases.

SESSION I

Wednesday Morning, February 24, 1960

Chairman: Alyce Lowrie

WHY ARE WE HERE?

Alyce W. Lowrie

What attracts members to join farmer cooperatives? What holds them? How many really know and understand their associations?

Why do they attend their cooperatives' meetings -- more in some places, fewer in others? Why are they more apt to attend meetings when they are dissatisfied with their association's operations and to absent themselves when they are pleased? What kinds of meetings appeal to them? What types of publications do members read?

What builds members' loyalties? Returns and savings, services, success, adversity, a sense of ownership, a sense of "belonging"?

Ten, 20 years ago, we thought we had some of the answers to these questions, but these were for another generation of members, who perhaps joined cooperatives for a different reason and experienced a more personal relationship with their organizations. Modern cooperatives face no more baffling problem than that of building and cementing members' loyalties under highly competitive market conditions, in large organizations where few members have personal contact with directors or management, where expanding size requires increasing capital investment on the part of members, and where the very success of the organization has focused the critical attention of competitors upon it and exposed it to the harsh glare of an industry's spotlight.

These are some of the complex problems that we have come here to analyze and dissect, to discuss and, if possible, to solve. We are not so sanguine as to suppose that we shall return to our homes -- and our respective cooperative organizations -- equipped with a kit of remedies; we can be sure, however, that we shall leave this conference benefited from the exchange of ideas, the suggestions and shared experience of people with common objectives and mutual concerns -- stimulated, a little wiser, with a fresh approach and intensified resolve to tackle our own member relations problems more vigorously.

We have the American Institute of Cooperation and Farmer Cooperative Service, U. S. Department of Agriculture, to thank for this meeting -- the fifth in a series held regionally throughout the country. These conferences are planned with cooperative personnel in each area, fitting the program to the needs and interests of each group, in an earnest endeavor to make these practical, working sessions allowing for informal and spontaneous discussion. If we successfully fulfill planning objectives, we shall leave here richer in ideas than when we came.

Components of a Good Member Relations Program

Jack Shepherd

Mrs. Lowrie has just illustrated what I think is the cardinal requisite of a good member relations program. She has established for us the objective of this conference. We now have a common understanding of why we are here, and what we want to accomplish by being here. Knowing what our goal is, we can now spend our time together intelligently in exploring ways and means to reach it.

So, the first component of an effective program of member relations, I submit, is to establish a sound objective -- clearly understood and agreed upon by everyone concerned. By "everyone," I mean not only the person or persons directly responsible for the development and execution of the program, but also every person whose position, attitude, and actions will affect its accomplishment. Specifically, this includes the directors of the cooperative and its top management personnel. Their concurrence on what the basic objective is, and their full understanding of what the accomplishment of it involves, are essential to the success of the program. To one degree or another, there must also be knowledge and understanding of the objective by the rank and file of the cooperative's employees, and even by the members and non-members we want to influence.

Good member relations, to say it in different words, can best be achieved if everyone concerned knows what we are trying to accomplish -- and why. The development of this common understanding, however, is not simple or easy. Once developed -- or apparently developed -- it can't be taken for granted and forgotten. Conditions change, people change, desires change.

As these changes take place, the objective and the program for its accomplishment need to be hauled out for review and reaffirmation or modification, whichever may be in order. That does not mean, however -- emphatically does not mean -- that the objective or the program should be radically changed, or even reversed, every time someone has a new idea. Unless there is something fundamentally wrong with the basic concept, changes should be evolutionary -- not

revolutionary -- as new conditions may dictate. Developing good member relations is a long-term process. A program for their development must be built on a solid foundation, and must move forward according to a sound, consistent plan.

In brief: Determine carefully what the desired end result of your member relations program -- the real objective, generally agreed to -- is. Get it on paper, where it will serve as a guide for every step in the program to reach the goal. Review it frequently with others concerned, so that everyone stays on the same track.

Second in my list of program components is recognition that members of a cooperative are individuals. They are not a homogeneous blob of faceless humanity -- a mass audience -- to be summarily lumped together as "the membership." Members of a cooperative are heterogeneous, just like every other group of people. Their needs, their wants, their attitudes, their thought processes, and their personal objectives are not uniform. They can't all be reached in the same way. They won't all respond alike to what we say or do. This is a good thing for progress, but it complicates the job.

Despite this complication -- or perhaps because of it -- part of the objective of a member relations program must surely be the drawing together of these unlike individuals into a "togetherness," a closeness to one another and to the cooperative, a oneness for mutual benefit. Part of the objective must be to develop within these unlike individuals a common feeling that the cooperative is theirs -- that individually and collectively they have responsibility for its welfare and progress.

The effective program for good member relations, then, must recognize the differences in the people it seeks to influence. It must, therefore, be flexible and highly personal.

Third in this listing of components of a good member relations program is acceptable overall performance. Actually, this is the first essential. No amount of propaganda will produce good member relations or convince dissatisfied members that unsatisfactory performance is satisfactory. Publicity or eloquent "salesmanship" cannot make bad member relations good. I ran across a quotation from Socrates, the other day, that puts this idea in a positive way: "A good reputation is when you are what you appear to be."

In this general connection, the day is gone, I believe -- if there ever was such a time -- when the ideology of cooperation, alone, will command blind loyalty. Cooperative enterprise should not be viewed as a "way of life," but as a business method in competition with other business methods. Under that definition, cooperatives must measure up competitively to succeed.

Let's assume now, that we have established our objective -- that we do recognize the importance of treating members as individuals -- that we have a record of satisfactory performance to "sell." Let's say that our objective is simply to

establish a reputation that will attract and hold members. This requires us to develop understanding and acceptance of what our cooperative has done and proposes to do. It requires, further the development of a two-way flow of information and responsibilities between members and management.

How are these things to be done? The answer is in the effective utilization of every possible means to communicate. The means are many. Their utilization is governed by the availability of money and imagination.

Essentially, we have a sales job on our hands. We are selling the philosophy, the advantages, the benefits, and the results of cooperation -- and, specifically, of our own cooperative. Selling, in this case, is telling -- communicating information. We've got to tell what we're doing, and why.

We've got to convince the members, and the people we hope will become members, that they will personally derive benefits from membership. We've got to present to them convincingly the advantages of cooperative enterprise, the reasons for our existence, the importance of working together to accomplish something that can't or won't be accomplished otherwise. We've got to make it clear what their stake is in the success of the cooperative, and what their responsibilities are to protect and enhance that stake.

In six words, we must build an informed membership. I once heard Ralph Bunje say, "If any group of farmers is given all of the facts, they will never make a wrong decision." That's the job -- give the facts through skilful use of various media of communication. At the same time, we must act as receivers of information, or of viewpoints -- both to learn what the members want from the cooperative and to measure how well we're getting our own message across.

Before looking at these techniques one by one, let me remind again that the audience is not uniform. It isn't cast in a single mold. Adequate information -- the dissemination of facts -- as a constituent of a member relations program must be given to directors, employees, members, non-members, opinion-influencers, community leaders, men, women, and children. But it won't necessarily be the same kind of information in each case. I don't propose to discuss what information should be given each audience, but let's list some of the means of presenting it.

Personal contact -- between individual members and informed representatives of the cooperative -- is the best way to get the story across, on a one-by-one basis. Such contacts provide two-way communication, and an opportunity to develop a given point to the point of mutual agreement. Obviously, this means of communicating information is limited -- especially in a large organization. There simply isn't time or man power to cover the field. Nevertheless, personal contact should be a major component of every member relations program.

Depending on circumstances and size of organization, a program of personal contacts can range from just the regular visit of a fieldman or service representative, to an elaborate plan of contacts by many members of the staff (particularly top personnel), to a program of visits by teams of members trained for the purpose. I do not believe, however, that members can or should be depended upon to carry the communications load for the organization. There is a place for them in the program, but the directors and the employees are the specialists whose primary responsibility it is to develop good member relations.

There is great information-giving potential in group meetings. This medium has the advantage of a larger "captive" audience to whom we can tell our story. Here, we can squelch rumors and misinformation, and here we can develop a desirable sense of membership participation and responsibility.

Most cooperatives hold annual meetings. The informational potential of these meetings should be developed to the utmost effectiveness. The annual meeting is the place that members come to for information and to participate in their organization. That is, many of them do. In some cases, I think they come to the annual meeting to get a "free" meal, and this raises a question about the practice of "free" meals that I'm going to drop on the table without further comment.

Holding annual meetings is a valuable component of the member relations program. It should never, I believe, be considered as the sole or even as the major place to inform the membership. Generally, the percentage of members who attend annual meetings is small, and usually those who attend are already well sold on the cooperative. Further, annual meetings are too far apart to keep the members informed fully and currently.

Smaller, frequently held meetings of discussion-group size are desirable. These should be "controlled" meetings, in the sense that the discussion leader should be a local director, a key employee, or a well-informed sound member. Meetings of this kind should always have a point. They should not be called just because someone thinks a meeting would be a good idea. I believe the agenda for such meetings should be carefully developed, to the point that there is actual accomplishment toward the objective of the member relations program.

There is an element of hazard in meetings of this sort that should be recognized and guarded against. If the groups become formalized, and if they are allowed to enter the field of policy-making, they can evolve into junior boards of directors that may pull in opposing directions. It should always be borne in mind that when we ask for advice, we must be prepared to act on the advice that is given!

Another useful kind of meeting is the general meeting of members for the purpose of considering some matter of major importance to the industry or the cooperative. When there is something to be accomplished, meetings of this kind

are a worthwhile component of the member relations program. An exceptional kind of meeting, and one that merits our thoughtful consideration, is the member conference meeting developed by Sunkist. These are outstanding, and will be discussed in detail later in this conference.

A proved medium of information is the printed word, distributed to every member, and possibly to others. This form of communication includes a variety of media, any or all of which are useful components of our member relations program.

One possibility is the occasional circular letter to the membership, addressed to a single subject of current interest or importance.

Another is the newsletter, newspaper, journal, or magazine, regularly mailed to the members. Publications can range from the simplest of mimeographed communications to elaborate, professionally prepared printed publications of many pages.

From personal experience, I favor a relatively simple "authoritative-looking" publication in newsletter style, devoted in content primarily to news about our own cooperative. General farm and economic news can well be left to the general publications that handle it so well -- such as the "California Farmer."

In this connection, we have had good effect at Calavo with a one-or-two-sheet twice-monthly multilithed newsletter, tightly written, to convey current information. This has been supplemented by a bimonthly 4 page printed magazine-style publication to present feature and editorial material. We mail both publications to all members, non-members, and others who are interested in the avocado industry and Calavo. My own feeling is that a 4 page or smaller publication is more likely to be read than the larger one that will be set aside until there is more time to relax and read. That time seldom comes.

A potent component of the member relations program is the news release. Volumes have been written on the preparation of news releases. Let me just suggest that there is newsworthy material in the activities and development of every one of our organizations. If time and thought are given to the release of genuine news, you will earn a gratifying amount of space in publications that are read by your members. This is one of the least costly and most effective tools of communication available to you, if it is used right, and not abused.

It is not necessary to buy advertising space to get publication of your news releases. Advertising properly prepared, however, is another effective component of the member relations program. As with all the other media of information, the use of advertising requires care and thought to be productive. Every ad should be written with the individual reader in mind. It should say something, and it should say it convincingly. Above all, whatever the ad says should be directed to the achievement of the objective of the overall member relations program -- unless advertising is done for another purpose than we are concerned with here.

Advertising is relatively expensive, but its cost can be brought down to manageable proportions for even a small organization. An effective means to multiply the impact of advertising is to buy reprints of the ad for mailing to the members. This practice is virtual insurance that your message will be seen -- even by those who are not readers of the publication in which it appeared.

Don't overlook the use of the "letters to the editor" column. Issues and viewpoints can be presented through these columns to considerable advantage, if this means of communication is properly employed. Once again, as with news releases, the material must have genuine interest for the editor, as well as his readers, and it is important that there be no abuse of the privilege of using his columns for your own purposes.

Still another means of communication is the use of radio and television. These media will carry your news releases, if worthwhile, just as printed publications will. There is also the employment of these media by sponsorship. This can amount to just the sponsorship of an established program as an advertiser, or it can amount to the complete content of the program.

Calavo's experience in this matter may be of interest. A year ago, we bought 15 minutes of weekly program time on a small, local station in one of our producer areas. We developed our own material in toto, and had one of our own employees put it on the air. This was an experiment, and it had a degree of success. We learned, however, that the small station was too limited in range and audience, and so we discontinued the project.

A few months ago, we bought 1 day's time in an existing, popular farm program on a major station in Los Angeles. The program was re-titled, for the one day each week, "Calavo News on the Air." Content of the show was designed to be of interest first to the avocado grower, second to the farmer in any field, and third to the general public. A good balance was set up, and the show has been effective as a component of our member relations program.

The use of film is one more component to consider. Films are comparatively expensive to produce, and their use is relatively limited, so far as showings to members are concerned. Nevertheless, a good film can have multiple use, both in member relations and for other purposes.

Our story can be told for us by others, if we go about it right.

More than 4,000 company magazines are published in this country, and most of their editors are eager for a good story. You can provide them with material. It takes thought and imagination to develop, but it would be a rare organization that did not have something unique to tell. One result of the publication of your story is that your product or brand comes to the attention of a goodly number of readers who may be customers. Another result is that you have material that can be reprinted at little cost and distributed to your members.

There are other helpers you can fit into your member relations program, too. For example, there are the Farm Advisors and the Soil Conservation Service people, who come into frequent contact with your members. You can make the education of these people a component of your member relations program to good advantage. They will multiply your own efforts most effectively, if they are brought into your circle of informed disseminators of information.

This is not a complete catalog of components of a good member relations program. Many more could be added. As I said earlier, our only limitation is the amount of funds and imagination available. We could add, for example, use of women's auxiliaries, the potential of service clubs, development of youth programs, development of community leaders as exponents of our organizations, use of contests, establishment of employee training programs, use of windshield stickers on automobiles -- and many, many more components.

Perhaps what I have suggested is enough to get us started. From here on, we can develop some more ideas as this conference unfolds.

Application to a Small Cooperative

Rex L. Blodgett

I would like to have you consider with me the meaning of member relations in a farmer cooperative. I think that basically it is the "feeling or attitude" of the member or patron toward the cooperative. Is his cooperative just another place to trade? An auction house? Or is it doing a satisfactory job in performing or accomplishing the fundamental principles for which it was established?

Has this cooperative continued to prosper, provide further services, improve those originally set out, keep pace with new ideas and changes in the industry? Has its presence been an asset to the community, and has it attracted new and enthusiastic members as the "Dads" retire?

If all these things and others have been accomplished, a good member relations program, intentional or otherwise, has been at work. Unless the rank and file member is completely sold on his cooperative; unless he feels that this business is his and is a better tool for him to use in marketing or purchasing than any of the other facilities he may use in our system of free enterprise -- all of our talking, writing, and preaching will fall on silent and unresponsive ears.

One of the first things the member will use to decide if he is sold on his cooperative as a place to do business is his monetary returns from the marketing of his produce. He may not attend meetings, he may not keep posted on the operations of the cooperative, or even know the director from his district. But if his returns from this business are up to those of the private business across the street, or above, he is sold on the advantages of the cooperative and will become an ardent booster.

We have often heard the farmer's reply to the county agent when he has said, "Nope, we're not farming near as good as we know how to now." This has a familiar ring to it when it's applied to the member relation programs in effect now. If you will pardon the use of personal examples, may I talk about Idaho for a bit and Idaho Potato Growers, Inc. in particular?

The potato industry in general in the United States is in the throes of a revolution. Many of you have encountered, struggled with, and have emerged victorious from a similar fracas -- that is fresh versus processed. To my knowledge the lowly potato is one of the last frontiers of the processed food industry, and in the very last few years the improvement of techniques have provided the industry with means of producing very acceptable products and has changed the complexion of the potato industry, particularly in Idaho, with some changes that are drastic in every sense of the word.

Idaho Potato Growers began its operations in 1922 with a group of farmers -- each and everyone of them knowing the value of their own potato businesses. They sorted their own crops and loaded them aboard cars for the buyer. From this simple beginning, the association employed a salesman, who also acted as manager, but still each farmer prepared his own crop for market.

The business continued to grow, expanding its services and its membership until, during World War II, it joined the effort to provide dehydrated potato products for the armed services the world over. At the end of the war, we had machinery and through the farsightedness of management and the general board of directors -- who could see the hand writing on the wall -- decided to establish and promote the use of processed potato products as a means of securing more markets and outlets.

This decision met with some violent reactions with a minority of the membership. It did not conform to their thinking that processed potatoes had no place in the potato business, at least not in theirs. Now several years later after much talking and writing, constructive and destructive legislation, and meeting after meeting, most phases of the industry are beginning to accept the fact that perhaps it wasn't such a bad idea after all.

Members of the Idaho Potato Growers, for the most part, have now accepted the change and feel that, as small growers, their survival in the field of potato production in Idaho hinges on keeping their cooperative strong, progressive, well-financed, and well-informed. And if it's a processed potato product the consumers of this country want the cooperative will be ready as always to provide that as well as fresh potatoes.

With this background, perhaps you would be interested in our member relations program such as it is. Money, is a limiting factor in supplying the technical skills and personnel that make up a member relations department in Idaho Potato Growers. The only prerogative left then, is to make use of everyone's time and talent that is available.

Frequently our fieldmen have combined with university and extension personnel to put on radio programs and public meetings to get points across concerning production problems that arose due to changes required in raw product specifications. Here we not only had our members in the audience but also the non-members, who had been asking perhaps the same questions. The information supplied in this manner, perhaps, would fall in the category of public information, but at the same time to have his organization identified in this manner lends prestige to the grower within the community.

The "Eastern Idaho Farmer," a weekly farm publication, whose list of subscribers includes the combined memberships of the Idaho Potato Growers, Inc. and Upper Snake River Valley Dairymen's Association, Inc., the two largest marketing cooperatives in the area. The "Farmer" has capable writers, who put together

a "Potato Corner" from information given to them by various departments of the Idaho Potato Growers. It is translated into a readable form, which keeps our members informed on markets, production, seed, competing areas, and vital information concerning activities of their personnel, directors, and members. The cost is nominal, and, I'm sure it reaches a greater number of people than would be reached by a publication of our own.

The "Corner" is not carried in the paper during the summer, or off season, but the publisher is happy to carry stories of our operations during this period of time. We feel it has been a very good tool to use considering the investment, in keeping the people of the area informed on the operations of Idaho Potato Growers, Inc.

The most recent addition of this kind is a small timely publication (4-6 times annually) called the "Processor," which publishes pertinent information on processing, production, storage, and activities of all companies concerned. It is circulated to all potato producers of record in Idaho, and its cost is shared prorata by the various processing concerns. Its effectiveness as an instrument of disseminating information for Idaho Potato Growers is probably not great, but the fact that Idaho Potato Growers, a potato marketing cooperative owned and operated by and for the farmers of Idaho, has taken its place with the major companies, has given the I.P.G. member, I feel, a right to be proud of his company and an incentive to other growers to also become members.

The next phase of our member relations program concerns people and is probably the most fluid, often bringing the greatest returns. It must be handled with great care, however. It works as follows:

Our general board of directors is made up of 12 farmers located in different geographical areas of the operation and is a wide awake, progressive group of men. They hold their positions because they are good farmers, are leaders in their respective communities, and put the interest of their business first as it relates to the overall potato industry when it comes to decision on policy. They are men who consider the business, its operation, and ways to improve it even between meetings. In recent years members of the board have had opportunity to visit with the folks at the Spokane Bank for Cooperatives. In fact, you could say it's more than a speaking acquaintance by some 6 digits.

This group attends the National Council of Farmer Cooperatives meetings on a rotating basis; the Idaho Co-operative Council meetings are a must, and attendance at any other meeting where cooperatives are to be discussed is urged. Each board member is chairman of his local group, totaling 47 local board-of-director members. They meet once each month to discuss with the general manager or the assistant manager operations of the local unit as well as the entire operation. They also discuss any problems that may have come up since the last meeting, bringing them to the attention of the management. They act not only as disseminators of information but also as listening posts for any possible trouble spots or suggestions that may arise.

This method has proven very effective. The local board is kept well informed on operations and industry changes, and the members become ambassadors at the local Farm Bureau, the Grange, the community churches, and any other gatherings where potatoes and their marketing are discussed.

Fieldmen and their personal contacts are extremely important to the cooperative and to the members. This is the close contact where confidence is established between the member and his company. As operations are discussed in the field, the rank and file member has become an integral part of his business. I cannot over emphasize the importance of well-qualified, well-informed, personable, trained fieldmen to do a complete and thorough member-relations job at strictly the grass-roots level.

Youth programs with 4-H Clubs, F.F.A. groups, and schools are all important to tell the cooperative's story. I feel, however, that these fall more into the public relations category except that members with sons, daughters, and friends in the various programs are delighted to see their association offer the advantages of youth programs. We also make use of plant tours sponsored by local boards of directors. The facilities are inspected, and there is opportunity for questions and answers. These tours have proven a distinctly in instilling in the member a sense of pride and ownership and a feeling that part of this operation is a result of his efforts, combined with those of his neighbors.

Finally, you see, we think we have established our goal, which is to do a good, efficient, progressive job in marketing the products of our members, in a manner that will provide each the greatest possible returns and then to use the simplest means possible to instill in each a feeling of ownership.

Application to a Large Cooperative

H. S. Dixon

Mr. Shepherd has given us an excellent outline of the possibilities for developing a good member relations program. He has given us many good ideas for disseminating information to our members and to the general public. All of these suggestions can be applied equally well to a small or a large cooperative. Since my experience has been mainly in cooperative management, I will try to give you suggestions I feel will help create a better "atmosphere" in your cooperative so that your membership and the public will be receptive to the information that is disseminated. I have decided to break my remarks into three categories: performance, participation, and perspicacity.

Performance: I list this first as I believe good performance in any organization is the most important requirement for financial success and also for successful public relations and membership relations. I do not feel that we

can separate public relations and member relations as each will improve or suffer depending upon the attitudes of each group.

To be a financial success over the long pull, it is true we all go through periods of disappointment where we are dependent upon those who are dyed-in-the-wool cooperators, but this can be only temporary. Financial success is imperative. To have an outstanding product, or service, that produces a financial gain or saving to our membership is essential. Then the pride that comes to the membership in that outstanding product, or service, is one of the foundations necessary to build our cooperatives into successful institutions.

To have the public generally expressing themselves in a complimentary way toward our products or our methods of operation helps to build enthusiasm on the part of our members toward a still better product. All this helps, then, to build sales of our products, or services, which, in turn, bring about even more success in financial returns or savings to our members. There is an old saying that "nothing succeeds like success," and once this progress starts, the job of keeping our members fully informed and in the right relationship with management becomes easier, as they will be more interested in what we have to tell them.

While we all know it is true that development of cooperatives has brought more competition in services and improved quality of farm products, it is very difficult for a cooperative to maintain good membership relations by only being able to point out these facts. Good performance is a primary requisite.

Participation: Participation by the membership in the activities of the cooperative, in the development of the best possible products or services, in helping to sell those products or services to new customers or members -- isn't this what we are striving for in membership relations? In the cooperatives I have observed that seemed to have the best member relations, there was a strong feeling of confidence between the membership and the board of directors and the management. How can this be developed in larger cooperatives?

One important requisite is that the members personally know the board member who represents them. This, then, means districting the area served into small divisions in order to accomplish this close personal acquaintance. Many will immediately feel that this will increase the number of board members to the point of being unwieldly.

I have often been asked about this on our board, which presently consists of 15 members. My answer is that I would rather have 15 good men elected by their neighboring members than to have 5 elected from a group at large, with the membership casting their votes in accordance with impressions gained from remarks made by these individuals at annual meetings. When good men are elected, you do not have to worry about special favors or "axes to grind."

To this we must add the proper relationship between management and the board in order to obtain that feeling of confidence that we need. Even a good board of directors is like a ship without a rudder without strong leadership from the manager. But a good board -- with leadership from the manager, and with plenty of thorough and patient discussion -- can develop sound and aggressive policies. Then the strict adherence to these policies will have a wonderful influence in developing member confidence with the resulting improvement in member relations. This development of policies by the board and the manager is essential in order to prevent the "one-man" type of organization with resulting deterioration in member relations.

The association's policies must be supported by the entire board. For example, when a development is decided upon which calls for a greater investment on the part of the membership, there must be unity of purpose by all members of the board and the manager.

Nothing will disturb membership relations more quickly than to have a member of the board state that he was not in favor of some action taken by the group as a whole. Each board member must exert his fullest influence in reaching a decision and must thereafter support the decision of the majority. The manager, too, must thoroughly develop all information for the board before questions are brought up for decision, with various alternatives, in order that no decision is made hastily.

When set, these policies must be administered by the manager with consistency. Every patron must receive equal treatment. As an outstanding example, I would like to discuss credit problems.

Credit policies are probably the outstanding example where members are not given equal treatment and this generally brings about unsatisfactory relations between the cooperative and those who have been extended excessive credit as well as with those who have asked for none. For this reason it has become my firm opinion that all cooperatives should have strict credit policies that are rigidly adhered to.

The very fact that capital in most cooperatives is developed proportionately from all members is reason enough for strict and equal treatment on this score. Needless to say, most cooperatives do not have enough capital to enter the credit field except those organized for that purpose. Therefore, I feel those of us not in that field will be better off leaving credit business to credit institutions. In our cooperative we require a much heavier than normal amount of capital to finance facilities and large inventories of cheese in aging. This has made it fairly easy for us to convince our patrons that we must be rigid in credit policies.

Any inconsistencies on the part of management in following these policies will detract from the needed feeling of confidence in management by the membership and will be a strong deterrent to membership participation in developing a better cooperative.

Another policy suggestion for better member relations that can come under the heading of participation lies in the field of employee relationships. We are all familiar with the phrase that a cooperative is the hardest kind of organization to work for because every member is a "Boss." We ask every board member to report to us any criticism directed toward any employee and in the meantime to maintain an attitude supporting the fact that, by and large, our employees are doing the best job possible. We then completely investigate the criticism and if justified we will work toward the correction of the situation or removal of any employee continuing to be negligent.

If the board of directors supports our employees, the majority of the criticism can be eliminated before it develops into a situation that will bring membership dissatisfaction, which, in turn, will hurt member relationships. At the same time, employees appreciate backing, and this policy helps to develop and keep better employees, thus, resulting in better member satisfaction.

In all of these fields of relations we cannot emphasize too strongly our belief in the need to have the members well acquainted with the board member who represents them. After all, board members are the leaders of the membership, and their attitudes have a great deal of bearing on our member relations.

Perspicacity: I had originally headed my final group of suggestions as "Understanding." It occurred to me that with the first two sections starting with "P" I might use the term "Perspicacity." To be certain it would fit I looked in the dictionary and here is what I found: "Wisdom, intelligence, comprehension," and for perspicacious: "Prepared, clear headed, informed, unbiased, and fair." This seemed to cover perfectly what we wanted to develop in our membership. Just think what wonderful cooperatives we could have if we could be sure we could honestly apply these terms to our own memberships.

I think perhaps the most basic thing in good membership relations is a better understanding by the member of the financial and operating statement. This subject is stressed by everyone discussing membership relations. In large cooperatives much more can be accomplished on this if these discussions are broken down into smaller groups. Most patrons hesitate to ask questions in large group meetings, but when these can be held in smaller communities there is much less hesitancy. Management must discuss both the pleasant and disappointing aspects of the operation in order for the members to feel confident they are being told everything. At the same time the discussion of problems and disappointments with the membership brings helpful suggestions from them, and in this way the load can be shared and more can be accomplished.

Along with the discussion of the financial statement will come the opportunity to develop a good understanding on the part of the membership as to how your cooperative is capitalized. This is a never-ending duty of management as new members come into the organization.

In order to accomplish a better understanding on the part of all patrons as to their responsibilities in capitalizing the cooperative, management must give frequent explanations of the plan followed by the cooperative and this plan should be clear cut and consistent. I sometimes feel that cooperatives have found too many ways to handle their capital and that it is no wonder the patrons do not understand their responsibility to furnish ownership capital if they are to receive the benefits. How can we hope to have the proper member relations, if the member does not understand that he owns his cooperative?

In order for the members to fully understand this ownership responsibility, we must again be consistent at all times. For example, I feel that the uncertainty as to whether the member should or should not pay income tax on his capital allocations is bound to confuse him about whether he really owns the cooperative or not. Of course, he should pay the tax. It is his income and he has chosen to capitalize his cooperative in this way by his very indication that he wants to join and patronize it.

Our cooperatives are financed entirely by revolving certificates, non-interest-bearing, revolved in less than 8 years. This is clear cut and simple. I believe that you cannot find one of our patrons who does not know how much he has invested -- nor one who does not understand when we expect to pay his certificates, barring unexpected reversals. They know, too, that to revolve funds more rapidly would cut into their milk checks. This attitude has been accomplished by adopting a policy and staying with it. Changes in these policies are disconcerting to the membership. A full understanding of member ownership in our cooperative accomplished a great deal toward good member relations.

At the risk of getting too deeply into another subject I feel that I must bring up one more illustration of consistent management policy that I feel has a strong influence on good member relations. This may be in the field of politics, for it deals with the problems of Government support of the products we market. The manager and the board of directors must furnish leadership in keeping the membership thinking along the line that our farm industries must eventually stand on their own feet.

To succumb to the line of thinking that the Government must cover the costs of production can lead to endless dissatisfaction in the membership of our farm cooperatives. There is such a variation in farm costs of production, and a cooperative can be making an outstanding performance and still have dissatisfaction among its members over prices. Here again is a field where positive thinking and consistency is noticed by the members. Farm people inherently want to stand on their own feet and any leadership otherwise is not likely to gain their confidence.

I do not wish to leave the impression that I think our organization is following through perfectly along the thoughts I have covered. Any cooperative in today's highly competitive business world certainly needs an all-out and enthusiastic effort by manager, employees, board, and membership. So in order to get the member relationship that we need in our cooperatives, let us strive for utmost performance, participation, and perspicacity on the part of everyone concerned in the success of the cooperative.

SESSION II

Wednesday Afternoon, February 24, 1960

Chairman: C. K. Ferre

MOTIVATION FOR MEMBER PARTICIPATION

C. K. Ferre

I learned long ago that the most important element in education is to motivate action -- get people to act -- not just listen and nod their heads -- asleep or awake.

Today our members are generally farther away from us than when cooperatives were in their early days of "cutting teeth" -- that is growing larger and at the same time moving away from direct contact with the farm. The farmer's "off-the-farm" hired man becomes too busy and too far away and soon seldom sees or converses with his "boss," the member. This very bigness and distance challenge us to find ways to speak to our "boss," to tell him of our plans, to seek his approval, and to keep him aware that we are his "off-the-farm" hired man.

People are motivated by many circumstances and experiences. From early childhood, mother and dad have been engaged in the process of motivating their children to better living; but they learned early that each child was moved to action by different goals, approaches, and appeals.

Farm people -- our public -- are just a large family -- more complex because of their size and diversified interests. Impersonal contacts (radio, newspaper advertising, television, and so on) are replacing personalized contacts, and must be used skillfully. Competition to sway the appetites and desires of people is tremendous. Our job is cut out for us.

Our success will depend upon how we are going to keep our people aware of the real values of their cooperative as part of their overall business of producing, processing, and marketing. To learn how people are motivated and how we here can adapt our operations to meet this psychological and sociological conscience and personality is our challenge today.

How we can produce the condition so that our people become personally a part of our advertisement approach, demonstration, or broadcast is a real art. It comes through training and planning, all timed to be presented at the psychological moment.

Thus, today we will be helped to discover how people are motivated; how their precepts can be utilized in membership meetings -- through printed material; through that important media, the "employee"; through directors; through the broadcast media and the personal contact. And with it all I hope we learn "timing" which, in my humble opinion, is one of the "firsts" in this entire program. I hope we will hear much on this vital point: "What is your objective." Before any of us inaugurate a program we must have an objective. This can be the most crucial decision our cooperative makes.

I must not proceed further lest I treat subjects to be presented by capable panelists. Let us today face this problem with energetic determination to find a "better way."

How Are People Motivated?

S. S. Sutherland

My feelings in discussing the subject, "How Are People Motivated?" with you are best described by this story.

It seems that two dairy cows were grazing peacefully in a pasture when a milk truck, probably from one of the big dairy cooperatives rolled by on the highway. The two cows lifted their heads, watched the truck roll past, and noted on the side a sign that said, "Milk, Homogenized, Pasturized, Vitamin D added." As the truck disappeared in the distance, one of the cows turned to the other and said, "Makes one feel kinda inadequate, doesn't it"?

And that, ladies and gentlemen, is how I feel in launching into this subject. I feel inadequate because there seems to be so little agreement among psychologists and students of human behavior as to just how man is motivated.

To illustrate, one of the books I read in preparing for this talk was by a Dr. McCombs, who stated that 10 years ago he had written a book on human behavior in which he had identified some 40 basic needs which he felt at that time motivated people, but in his most recent book with a publication date of 1959, he felt that there is just one basic need with which we need be primarily concerned in motivation.

Quoting again from the psychologists, they say that behavior seems characterized by an almost unlimited number of motives, some of which may be quite antagonistic to each other. For example, having money and spending it to keep a slim, girl-ish figure and at the same time eating heartily. Apparently for many years psychologists have been obsessed with the idea that we could learn what motivates man from a study of smaller animals, and on the basis of the studies with animals came to the conclusion that there were just four basic motivations, all

arising from the physiology of the animal -- the need for water, for food, for warmth, and for sexual gratification. And building on this, Freud not so long ago came to the conclusion that man really had two basic needs: the desire for life and the desire for death and that implicit with the desire for life most of man's actions were related primarily to sex.

I think you will agree, then, that the task you have given me is a most difficult one, and that, when we try to analyze what motivates behavior in man, we do face a most difficult task.

As a further illustration the story is told of three deer hunters, who after a hard day of tramping through the snow, came upon a cabin that offered them some promise of shelter for the night. They knocked at the door and hearing no response, tried the door, found that it was unlocked, and walked in.

It was quite evident from looking around the room that there was every sign of normal occupancy and that probably the owner of the cabin had just left for a short time. Everything was normal, that is, except for the stove; and the stove, instead of being on the floor in the usual position, was attached to the ceiling with a complicated system of metal straps.

Now it happened that these three hunters represented three entirely different professions and vocations. One of their number was an engineer, another a doctor, and the third one a psychologist. They immediately began speculating as to why the owner of this cabin had attached his stove in such an unorthodox position. Finally the engineer spoke up and said:

"It looks to me as though the answer to this thing is perfectly obvious. This man apparently had some elementary knowledge of thermodynamics and so he realized that warm air heated from the stove would go to the ceiling and then as it is cooled drop down to the floor and rise again as it is heated. Thus, the stove placed in this position would heat the cabin both by refraction and convection."

At that point the doctor spoke up and said:

"No, I'm sorry. I'm quite sure you are wrong. It's pretty obvious to me that this man is an arthritic and that he wants the stove up here in a higher position because it is more painful for him to stoop down and put wood in it and to cook on it if it is on the normal position on the floor."

The psychologist then said:

"No, I'm pretty sure that you are both wrong. It's pretty obvious to me that this man is a neurotic and he is suffering from a very, very common neurosis in that he must have the source of heat and light at eye level. So he's put the stove up here so that it satisfies this particular psychopathic urge of his."

Well, at that moment the door opened and the occupant of the cabin came in, stamped the snow off his feet, and greeted the three visitors who explained why they were there. They could hardly wait until the owner was comfortable before asking him why he had hung the stove up there near the ceiling. Finally one of them got up courage enough to ask and said:

"One thing has been puzzling us. Do you mind telling why you hung the stove clear up here on the ceiling?"

The owner took a look at it and said,

"Why, certainly, that's quite simple, the stove pipe was too short."

So there may be many things that motivate man, and one thing upon which all psychologists agree is that man is never unmotivated.

When we speak of motivation we refer, of course, to the forces which make a person act. Since this audience is primarily concerned with getting other people, principally co-op members to act in the way in which you want them to act, we are concerned not only with the inner forces which cause people to act as they do, but also what we can do as outsiders to bring to bear forces to make them act in the way we wish them to act. It is to this that I propose to address the remainder of my remarks.

As an introduction, I want to make two preliminary statements upon which most of the rest of this talk is based. One is that man's actions result primarily from two forces -- impulse and reason. The second major point I want to make is that I may make some rather sweeping statements to the effect that all people, or that people generally, will react to the forces that we will describe. Please take this with a grain of salt, for man is such a complex organism that I don't think anyone can predict exactly how any person will react on any given day to any given impulse.

Now returning to the first of these two statements that man's actions are the result either of natural impulses or of reason. We boast that the primary difference between man and the lower animals is his ability to reason. We pride ourselves on being reasoning human beings and of basing our actions on the results of reasoning and of thinking things through. But impulses are much stronger than reason and have much more to do with governing our acts.

If you wish to test this out, let's assume that you are reasonably interested in what is being said from this platform here today and that reason would tell you that it is quite valuable to pay attention to what is being said. However, let us just suppose that the door would open back here and someone would start walking down the center aisle up to a front row seat. What would happen? Practically every head would turn and watch this individual as he made his way down the aisle and you would be simply reacting to one of the very, very common impulses that we all have, and that's curiosity.

Now there are many of these impulses. When we define impulses they are simple forces that impell us to act. Many of these are undoubtedly based upon and related to basic biological needs. Many of them are so deep that they might even be termed instincts. But regardless of what they are, they are perhaps the most potent factors in determining why people act as they do. Therefore, let's take a look at some of them and see what application it has to your problem and to mine.

Among the impulses that are probably most important to you and to me are these: Activity, curiosity, creativeness, gregariousness, desire for approval, desire for self-advancement, competition, imitation, and ownership. All normal people seem to possess and to be guided by these impulses to some degree, but one or two of them deserve our special attention here today.

One of the strongest of these impulses is imitation. Many of the things we do are done as a result of an impulse to emulate and to imitate someone whom we particularly admire. Now you can verify how strong and how widespread this impulse is simply by looking around you and noting the style suits the men are wearing.

Probably in 90 cases out of 100, you men are wearing three-buttoned suits, single-breasted, with narrow lapels. Five years ago you wouldn't have found a single one of these three-buttoned, single-breasted suits in an audience of this kind. They would all have been double-breasted with wide lapels, and why? Well, you answer the question. Call it what you wish. Say that it's the style or what have you, but as a matter of fact it's imitation. The importance of this has been further brought out by research which was done in the Middle West about 1955 with funds provided by the National Project on Agricultural Communications.

This was a study to determine how farm people accept new ideas and adopt new practices. Doubtless, many of you are familiar with the results of this study and I'll just review it briefly and call attention to how it is based upon this impulse of imitation. This study traced the history of the adoption of a new idea among farm people and I think we can reasonably assume that farm people, in their acceptance of these ideas, wouldn't differ a great deal from the population as a whole. They found out that you could categorize people into about four groups.

First of all there was the innovator. Going back to the way we dress, he was probably the very first one that appeared in public in the three-buttoned suit, or got the idea that he was a little bit tired of the usual run-of-the-mill clothing and had his tailor make one. After this courageous person emerged in public in the three-button suit there were some perhaps just slightly less courageous souls that said: "Well, I'd like to be a little ahead of the parade-- I'll get a three-button suit too." So we have what we call community adoption leaders who started wearing them.

Later on in each community we had local adoption leaders who blossomed out in the three-button, narrow-lapel jobs. These innovators and early adopters would represent, in a community or in a group, maybe not more than 5 to 10 percent of the total. The rest of us, then, simply imitated the people who adopted this practice first.

Consciously or unconsciously most of us are governed in the things we do primarily by imitating someone we have confidence in. For example, each year we are asked to vote on a number of propositions on the ballot. Yet very few of us have the opportunity to really study them through or know enough about them so that we can form a really valid opinion. And so what do I do? Oh, I seek someone out in whose judgment I have considerable faith; I find out how he's going to vote, and I imitate him. Furthermore, I'll bet that many of you do the same. The application of this, then, to member motivation seems quite obvious -- we need to identify the innovators and the early adoption leaders, get them to accept whatever it is that we wish to have done, and rely upon imitation to get the majority, the 90 percent, to follow along.

Let's turn our attention now to another one of these natural impulses that is also most effective, and that's the impulse of activity. Let's carry this a step further and call it "involvement." All of us are governed by the impulse of activity. One of the most difficult things for any of us to do is to do nothing, and when we speak of activity we include mental as well as physical activity. If you think you're not a creature of activity, just try to stop thinking some time, especially some night when you are trying to go to sleep and you've got some particularly pressing problem bothering you.

As an application and an illustration of this, it's long been a well-known fact in any organization -- be it Rotary, Kiwanis, Chamber of Commerce, or what have you -- that the way to get people interested and working in an organization is to get them active. Then activity begets interest and interest begets more activity. So the minute faster we can get members interested and involved and active in the affairs of the co-op or of any other organization the more motivated they become.

This matter of activity and involvement you've all recognized and I'm sure you've tried to utilize it in attempting to get people to take an active interest, to participate in the affairs of your organization. But I wonder if you realize just how important involvement really is in getting people to act in the way you want them to act.

During the last war the Federal Government wanted to help housewives beat the meat shortage. So an experiment was conducted to find out how housewives could be best persuaded to buy and serve cheap, but unpopular cuts of meats. The problem was to find out which method of persuasion was most successful -- to tell them or to let them discuss it among themselves.

There were six groups of women of about 15 in each. In three of the groups lectures were tried with the women being persuaded by top-flight lecturers to do this thing, and in the other three the women simply discussed among themselves the value of doing this. Then they checked up and determined what these women did as a result of the lectures and discussions. In the lecture group only 3 percent of the women actually bought and served unfamiliar meats, but in the discussion group 32 percent did so. That was 10 to 1 margin in favor of the people who were actively involved in making the decisions on this as compared to the group who were being told.

Other similar experiments serve to verify the same thing -- that you get action, that you get motivation, when you involve people actively in making the decisions and discussing what these actions should be.

Time will not permit us to discuss other natural impulses to the extent that we have these two. However, the two discussed are among the strongest motivating factors that we know.

One of the authors I read in preparing this talk published a book on individual behavior just last year in which he brought out the theory that the greatest personal need, and perhaps the greatest innermotivation, people have is the simple desire to be adequate. And I would suggest that you would think upon this for awhile as I have. For in my thinking I can see many reasons why his theory seems quite a valid one.

For example, most of us -- and certainly I -- don't want to make a million dollars; I gave that up long ago. I do, however want to make a salary that is adequate to my needs and the needs of my family. I like to play golf. I've had to give up -- and I think perhaps many of you have -- the idea of being a scratch or low handicap golfer. I do, however, want to play well enough so that I can satisfy myself and get some pleasure out of it. In making this speech, I don't care to be classed as a William Jennings Bryan or with the late Franklin D. Roosevelt. I do, however, want to be adequate -- adequate in your eyes and adequate in my own concept of what a speaker should be.

This to me seems to tie in with a number of natural impulses. All of us have a desire for approval. But that approval in my own eyes, and in the eyes of others, means to me that I wish to be adequate. Take the impulse of self-advancement. We like to think that we are better off this year than we were the year before -- better off financially, better off professionally. But how much so? The standard, it seems to me, again comes back to the question: Are we adequate professionally?

And so man is motivated by his impulses, by these urges or drives which all or most all normal people seem to possess. And by knowing what these impulses are, we can sometimes guide his activities and channel them. But man in addition to being a creature of impulse is also a reasoning being. And given

time to weigh, consider, and judge, we are governed by facts and act accordingly. In motivating people by appealing to reason, however, we need to consider very carefully certain peculiarities and quirks that our reasoning processes take.

Psychologists tell us that while man welcomes change and innovations, he also has the opposite impulse to protect and preserve his present mode of life and his present holdings. Therefore, if we want a person or a group of persons to accept change, we should not expect them to do so immediately upon being presented with a new procedure or a new policy. Far better to present this as a tentative change -- one which might occur in the future -- and to give them considerable time to think it over and become accustomed to the idea before presenting the actual change in its entirety.

Also, when presenting a proposal for change to a group of people, the following steps seem to be of utmost importance:

1. State the objective or the goal which the change would accomplish. Be sure that the objective is absolutely unassailable -- that the group understand it and agree with it. Unless you can get your members to agree that your purpose in proposing this change is absolutely valid and one with which they can agree whole-heartedly, you might just as well save your breath in making the rest of the proposal. One of the most frequent questions one hears when a change is proposed is "WHY? Why do they want to do that? Why are they proposing this change?" And in adjusting matters of dispute, quite frequently it is essential that you first get opposing parties to agree in principle and to agree as to the validity and worthwhileness of the end product that will result from this change.
2. Having accomplished the first step, make sure you have all the facts and present them to the members so that they understand clearly.
3. Present arguments both for and against the proposal. You are in a much stronger position if you identify reasons opposing your suggestion than if you wait and have other people present them or have the members themselves think them up and present them.

Therefore, if you would motivate people by appealing to reason I repeat: Have a purpose for your proposal with which all will agree, give them facts, and give them facts both for and against your proposal and let them judge. It has been said, and doubtless rightly so, that a person's judgment is no better than his facts, and if people have the facts they generally act in a rational manner.

Finally, in our communications with members and in presenting proposals for their consideration, too frequently we use terms which are entirely clear to us but which our members may not readily understand. In every business or profession there seems to grow naturally a body of professional gobbledygook -- terms which we use every day and which to us have a meaning but to the lay

person not so closely associated are almost a foreign language. It would seem obvious that you could not get a valid judgment concerning a proposal from a person who doesn't understand the terms in which this proposal is couched. So use simple language and when it is necessary to use technical terms, explain them.

This principle is well illustrated by the story of the New York plumber of foreign extraction with limited command of the English language, who wrote the National Bureau of Standards and said that he found hydrochloric acid quickly opened drainage pipes when they got clogged, and he asked them if it was a good thing to use. A Bureau scientist wrote him in reply:

"The efficacy of hydrochloric acid is indisputable, but the corrosive residue is incompatible with metallic permanence."

The plumber wrote back thanking the Bureau for telling him the method was a good one. The scientist was a little disturbed and showed his correspondence to his boss who wrote:

"We cannot assume responsibility for the production of toxic and nauseous residue from hydrochloric acid and suggest you use an alternative procedure."

Whereupon the plumber wrote back and said that he agreed with the Bureau that hydrochloric acid worked fine. Finally the top scientist, boss of the first two, broke the impasse by tearing himself loose from technical terminology and writing this letter. Quote:

"Don't use hydrochloric acid. It eats hell out of the pipes."

So if you would motivate your members by appealing to reason, put your proposal in terms that they cannot fail to understand, and don't cloud the issue with technical verbiage.

In conclusion, there are two basic methods by which we can motivate people, and by which people themselves are motivated. The first is by recognizing

-- that all normal people seem to possess natural impulses, urges, or drives and use them;

-- that, with the exception of a few innovators and courageous souls, most of our actions are imitations, the imitating of some person whom we respect;

-- that activity and involvement beget motivation, which in turn begets more activity and involvement;

-- that perhaps the greatest urge for all of us is to be adequate, adequate in our own eyes, adequate in the eyes of others about us;

-- that competition for the top spot is really effective only for the person who has a chance to win, and that these impulses probably have a stronger effect upon what we do and our motives for doing it than reason.

Finally, if you would motivate through an appeal to reason, make sure your motives and your goals, are valid ones; that you get the facts and present the facts; facts for and against, and then give your people time to think. Given these facts, the odds are that they will arrive at the right conclusion.

I don't know whether I have brought to you anything new. I do hope that what I have said will be of value to you, and my final hope is that you have found this adequate.

Motivating Members Through Meetings

Felton B. Browning

I am sure the problem of reaching key members in the Sunkist Growers organization is no different from that faced by other federated cooperatives. However, some of the difficulties in establishing a line of communication are of such importance, I feel I should briefly outline the problem.

Growers who are members of this cooperative are actually members of local associations. The local is autonomous and all decisions as to operation, personnel and management are decided by the members and by their boards of directors. The relation between the local association and Sunkist Growers is covered by a contract which stipulates that all fruit will be delivered for sale by Sunkist as the agent. The contract between the local and Sunkist central can be terminated during any year. The only permanent bond that holds Sunkist to the local association is service.

The loyalty of the individual grower is directed first to his local association. Employees and leaders in these locals are jealous of their positions as spokesmen for the industry and have in the past been reluctant to permit direct communication between the central organization and their members.

Before the grower conference program was originated, communication between growers and Sunkist central was limited to:

1. The California Citrograph. This is an independent magazine dealing with citrus culture and development. Included is a section edited by Sunkist covering market and long-time programs.
2. The Sunkist Newsletter, mailed to all growers each month, deals with current market, sales, advertising, and other items of general interest.
3. At local annual meetings, members of the Sunkist staff would discuss their particular activity on invitation. These appearances were not regular as at many locals the annual meeting program was devoted entirely to the local activities.

4. Sunkist maintained a small staff of growers' service men who worked with growers to explain policies. However, the small staff made it impossible to reach more than a small number of growers.

As years went by, groves passed to younger growers with limited and impersonal contact. It became evident that the close relationship between many member growers and Sunkist was being lost. Members did not have close contact and frequently their criticisms were outspoken. It was clear that some new approach must be developed.

It seemed logical to make the first approach to the younger member and to the grower who had recently acquired citrus property. These newer members were the ones most anxious to learn of their selling organization.

Thus, the idea of a grower conference was developed. The suggestion was first received with considerable skepticism and uncertainty by the leaders in local associations. The plan was first presented to the packing house managers in a single county who comprised a closely knit group. The suggestion that such a conference should be held was first thoroughly discussed with the managers of local associations and their boards of directors. These discussions covered a period of nearly 2 years before the program of a conference was finally approved and publicly announced.

These leaders agreed there were too few well-informed active members among the rising generation. They felt a conference would inform these growers and inculcate a certain amount of missionary zeal in those who attended. It was planned to hold the conference far enough from home so that the attention of those participating would be secured and kept. The conference would extend over a 2-day period. The cost of attending would be shared by the local association and the grower himself, as it was agreed the grower should share the cost and have a financial investment in the meeting. Wives were urged to attend and to participate in all discussion groups. To be sure that the number in attendance would be kept to a manageable size, each association was limited to five couples.

At this first conference, attendance reached the limit set. During the first evening after a social hour and dinner, entertainment was provided. The next morning, serious work was started by a keynote speech after breakfast explaining the purpose of the conference and the procedure.

The 180 people in attendance were divided into 7 sub-groups. Each group retired to a small meeting room and met with 7 Sunkist department heads. During the 1 hour, the leader discussed his particular activity. The 1-hour discussion period was equally divided between a presentation of the subject and a question-and-answer period. During the four 1-hour discussion periods held on the first full day and the three on the morning of the second day, the groups rotated so that during the 2-day period each group met with each of the 7 discussion leaders.

The result of this first conference was immediately apparent. The growers in attendance had gained a better knowledge of their cooperative. Even more important, they had acquired a certain evangelistic enthusiasm for their cooperative. The frank informal discussions had given them an opportunity to become better acquainted with their employees who were charged with the responsibility of handling their business. The program had an impact far beyond anything accomplished previously. It appeared that following each discussion period enthusiasm mounted.

Following the conference, the program and Sunkist became a topic of conversation at home and at bridge meetings and social events. The growers who attended were not only in a better position to defend the activities of Sunkist but had become outspoken in their enthusiasm for Sunkist policies.

Within 2 weeks we had received requests for conferences in other areas. These have been arranged as rapidly as possible so that now six conferences have been held. In one large producing area, a second conference was needed to accommodate the growers who could not attend the first.

These latter conferences all followed the same general pattern established in the first with one exception. This change was the abandonment of small groups moving from one discussion subject to another. In recent conferences, the entire group has been held together. During a morning session they would listen to a presentation of two Sunkist activities. During the discussions they were seated 16 to a table. Following the discussions, coffee was served and questions were discussed by table groups. Following 30 minutes of this discussion of questions to be asked, the general meeting reassembled. Each table chairman in succession was asked for his first question. After each table had the opportunity to ask a question, additional questions were requested until the allotted time had passed. I believe there were very definite advantages in this second method of programming. Every grower had the opportunity to hear answers to every question asked. More complete answers were possible because several members from the Sunkist staff often participated. It was also evident that by using this procedure, the questions were more carefully thought out and more fundamental in nature.

Certain observations in the conference program might be of interest. It was clear that there is a definite limit to the percent of growers who are willing to take the time and spend the money to attend these meetings. This limit appears to be approximately 10 percent. The 90 percent of the growers who do not attend are either not interested or do not have the time. However, we have reached the leaders.

In most conferences, numbers were closely restricted. It became a privilege to attend. In these conferences substantially everyone who had indicated his intention to attend was present. At one conference, however, we let the bars down and stated accommodations were available to any who were interested. In this case, a substantial number who had made reservations failed to show up. In all future conferences, we will follow the policy of a strict limit so that

the growers invited will know they have been chosen for this privilege, and that others who might wish to attend cannot do so. Selection of the growers to attend was left entirely to the boards of the local associations.

We, in Sunkist, are convinced that this program of grower conferences has been the most successful effort in reestablishing the lines of communication between Sunkist and the grower. I am sure this conference program will be continued in the future.

Motivating Members Through Meetings

Ralph B. Bunje

Member motivation should be viewed by the cooperative manager as a four-step process, for which he must develop the stimuli which will impel the desired action. This is accomplished by submitting the member to a series of stimuli, each of which in its own way moves the member to action.

First, you must draw the member's attention to the subject; second, you gain his interest; third, you build the desire to act; and fourth, you incite the action.

Meetings are a means of stimulating membership to action. A well-heralded, thoughtfully-planned, and precisely-executed meeting can and will accomplish member motivation.

The following suggested outline should allow the planner of a meeting to achieve the desired motivation in his membership. Capital letters at the left refer to this key:

A is for Attention

I is for Interest

D is for Desire

S is for Accomplish Motivation

I. Get the turnout through -

- I a. Letters
- I b. Publicity - radio, newspapers, magazines
- I c. Personal phone calls
- I d. Postcards - as a follow up

- I II. All communications should appeal to -
 - ID a. Economic interests
 - I b. Hints of new developments
 - c. Family interests
- A III. Good atmosphere
 - AI a. Friendly greeting
 - b. Good hall
 - 1. Neat and clean
 - 2. Centrally located
 - 3. Good acoustics
 - 4. Decorations
 - AI c. See and hear the speakers
 - A d. See charts and illustrations
- A IV. Sound planning and preparation
- AI V. Rehearsed - timed
- AI VI. Experienced people
- AIS VII. Eye and ear appeal
- AIDS VIII. Charts and illustrations
 - a. Large
 - 1. Must be seen
 - 2. Not busy
 - 3. Eye appeal
 - b. Slides and films - colorful
- A IX. Action - Keep them awake!
- S X. Finish on time
- AIS XI. Leave time for questions
- S XII. Finish on time

Motivating Members Through Printed Material

Ken Kitch

As I see it, there are three important functions of this discussion. They are:

1. To stress the importance of fundamentals first!

2. To review some of the more recent techniques developed to help with effective implementation of the fundamentals.
3. To try to answer, as best I can, some of the questions that you, as individuals, may have about your respective operations.

The Fundamentals

Historically, people engaged in promotion have sought for a "magic formula" such as this:

"How much will I need to spend, and where and when will I need to spend it to accumulate this many sales and make this much net profit?"

In your own way, you have your own versions of this problem.

Those who have come closest to solving it -- except by occasional accident -- have with marked similarity insisted upon the accumulation and up-to-date maintenance of the following things:

1. Close identification of profitable publics.
2. Accurate knowledge of what these publics want, need, or can be convinced they need -- within a desired period.
3. Choice of specific goals -- both long-range and short-range -- on the part of the subject -- in this case the reader.
4. Experimental sifting of methods and means for obtaining the familiar AIDA goals -- attention, interest, desire, and action.
5. A studied choice of media most likely to reach and impress the desired publics.
6. Development of followup methods that will establish results.
7. Development of followup methods to assure that what has been promised is delivered.
8. Development of followup methods that will maintain each part of your presentation as a coordinated portion of some long-range plan with specific goals that will benefit the reader.

Those who have seemed to be most successful have pretty generally learned -- and often by the hard way -- to cling to another group of fundamentals. These are:

1. Keep your presentation simple, easy for the particular people you want to reach to understand, and easy to remember.
2. Offer some kind of tangible benefit of wide interest among your public.
3. Offer an immediate benefit in addition to any long-range benefits, and offer it equally to all.
4. Plan and prepare far enough ahead to allow for some testing and to make sure your personnel are thoroughly informed as to details.
5. Double and triple check to be sure you have made it possible for your readers to act and that they will know how to take action.

Probably the simplest of all formulas boils down to this:

1. Tell what you believe.
2. Tell how it affects your readers.
3. Tell what they should do about it.
4. Tell how they can do it.

You'd probably be surprised how well this simple formula also works with speeches and letters addressed to cooperative memberships.

Some Modern Developments

Significant developments have occurred within the comparatively few years we have been carefully studying the art of communication. Among them are these:

1. Recognition that the modern farm audience is essentially no different from a city audience.
2. Recognition that farming is no longer "a way of life" but "a way of making a living."
3. A "descent from Olympus" -- paying primary heed to what the readers want to know.
4. Recognition that reader reaction is almost always based first on self-interest, particularly if you want quick action.
5. Recognition of the importance of research as an "indicator" rather than an "answerer."
6. Acceptance of editorial content as only a single element leading to reader attention, interest, and response. Format, color, size, and kind of type --

even the kind and style of advertising, if any -- play key parts in setting the stage and writing the material. So do sentences and words.

7. Mailing and printing costs, Post Office Department restrictions, and accrediting organizations -- A.B.C. (Audit Bureau of Circulations) and NBP (What is this?) -- have put the mailing list (Form 3547 and others) into proper perspective.

8. Continuity from issue to issue has become of prime importance. This is true of promotional letters as well.

9. Color has learned to more than pay its way.

10. The modern publication can't be edited from a desk -- and even the successful letter writer has to "go out among 'em."

11. You reach no action by cataloging problems without solutions.

12. If you are going to produce a piece of printed matter, do it well. The up-to-date specialist has come into his own to replace the "old family printer."

13. Management is realizing more and more that you can't compete in the modern market by giving a secretary a couple of afternoons to turn out the "It's-time-again" project.

14. Specialization of agriculture -- just as of industry -- has required more than ever before that the editor or letter writer be soundly grounded in his organization and its field.

15. While there are many advantages to the "soft-sell" approach, it is being used more judiciously.

16. The "true science of photo use" is in the process of being developed.

17. Women are proving themselves every bit as capable as men. When it comes to attention to detail, they are often superior. They also are an aid in personnel problems. Frequently a talented woman can be found who can take a part-time editorial or advertising job and combine it quite satisfactorily with marriage.

Editor's Note: At the end of Mr. Kitch's planned remarks, he led discussions of answers to questions offered by the audience.

Motivating Members Through Printed Material

Walter Anderson

Editor's Note: Mr. Anderson discussed the importance of the various printed

media that can serve as communication tools and summed up with the following:

"What we say and how we say it is at least as important as saying it in the first place. Be selective in the tools you use for getting your message across. Make sure your efforts are obtaining a response."

Motivating Members Through Employees

Al Lamb

The use of employees in any membership relations program requires first, that such personnel be properly aware of the functions of the organization in question. It is further vitally necessary for these people to be aware of the basic fundamentals of cooperatives, why their own organization was started, and why it still continues to operate as a cooperative.

A first-hand knowledge of a firm's operations and methods will not only help employees to motivate members but will also generally increase personnel morale. An employee in sympathy with his employer can do much to further his organization's interest both on and off the job.

People associate values of belonging to an organization under such headings as: Ideals, personal interests involving income, security, and rightness. People may be motivated to participate in an organization by convincing them that these are the favorable results of participation in the activities of their own cooperative.

An employee is often the only contact a member has with his cooperative organization until such time as this individual is motivated into an active participation in the affairs of the association involved.

Employees should be impressed with the fact that they are, each and every one, representatives of the company they work for and made aware of the necessity of presenting the cooperative in a favorable light by their conduct and conversation. Alert and informed employees can explain the workings and value of cooperation. They can correct any misapprehensions that members may develop and can help to subdue rumors. They can be a valuable source of information concerning membership problems which may come to light as they converse with member-patrons. Employees need "a sense of friendship -- a sense of kinship with their organization."

To have this we need to acquaint each new employee with facts concerning the association. We should give them:

1. The reasons the co-op was organized. Usually there were very good reasons which bear repeating.

2. The principles of cooperation.

3. Their responsibilities in aiding development of good member relations and public relations.

In order to keep employees up-to-date on membership policies, having dinner meetings with groups of them several times a year, for the purposes of exchanging membership relations ideas, sometimes proves effective. A general discussion helps in setting up policy modification and changing the association's public relations in needed directions. It is also a good time to hear criticisms and new ideas from those who are directly meeting with the members in the day-to-day operations.

A cooperative's employees may motivate members into active loyal groups by: Being alert and treating each patron as a favored customer, by listening to each suggestion or criticism a member may put forth, by treating the patron as a member of the business, by explaining the advantages of patronizing his own organization, and by selling cooperatives in general.

Employees may further motivate members by attending general farm meetings, by becoming members of farm organizations and taking a genuine interest in general farm problems. Cooperative employers would do well to encourage their employees to be active in community service activities such as taking part in the Community Chest, Red Cross, and other drives as well as participating in such things as Boy Scouts, Little Leagues, and other civic endeavors. An active membership in the local Grange, Farmers Union, Farm Bureau, and Chamber of Commerce, where there is a local chapter, will help enhance the cooperative's standing and give members an example to follow in their own association. Employee memberships may be divided among the various organizations.

Quite often the affairs of the local cooperative come up for discussion at farm organization meetings through questions asked or criticisms voiced. We were warned this morning that "there is nothing so frightening as ignorance in action." This is many times what happens at local farm organization meetings when cooperative questions are raised and there is no one present qualified to give the correct answer. To keep ignorance in action from developing, the best defense is to have employees present who are recognized as active and loyal members of the group involved, and who are also qualified to honestly explain the co-op's position.

I recall having visited the office of a large western cooperative several years ago. The employee who greeted me, and incidently many of its members, was unable or unwilling to answer any questions concerning the kind of organization it was or to tell anything about either its activities or reasons for being in existence. This same cooperative was spending hundreds of dollars trying to acquaint the public not only with its products but with its manner of organization. A small amount of employee training on the subject of motivating members would likely have reached more people directly concerned than all the money spent on outside sources for such a purpose.

The same year I made a call on a large cooperative in Minneapolis, where the person greeting me answered all such questions and showed an attitude of genuine interest in me, as the visitor. She also had a knowledge of her employer's business and policies that indicated honest loyalty and proper knowledge of her responsibilities in meeting the public.

I have tried in this presentation to bring home the fact that employees are in many instances an untapped source of membership motivation. Many times two or three individuals talking together personally can receive and give a clearer understanding of an association's values, accomplishments, and needs than can be had through a public meeting, a personal letter, or an advertisement. Employees of a cooperative can have these personal visits with their farmer patrons if they are carrying their full share of community responsibilities and are making an effort to obtain the patrons' confidence and friendship.

Finally, one way for employees to motivate cooperative members to action and support of their business is over the coffee cup and when they meet socially. This coupled with an active effort during business hours to encourage each patron member to assume his full responsibilities as part owner of the business should prove beneficial.

Motivating Members Through Directors

Frank Melchior

I cannot help but think of the old saying, "A picture is worth a thousand words." Similarly, in many cases member relations reaches the point where one word from a director is worth a thousand words from an employee. Often when a membership-relation problem arises involving considerable change in policy or a new policy matter, it can be properly explained to the member only by a director. In turn, the member is quite often more willing to accept the director's explanation than that of an employee.

The tremendous changes in our poultry industry -- the development of larger-size ranch operations, the handling of feed in bulk, egg pick-up service, fuel delivery -- all have increased the problem of communication with members. I am sure you are all aware of this; nevertheless, we might discuss briefly our own experience.

Historically, our organization always experienced close contact between the member and his local branch. The member would bring in his cases of eggs and, in turn, haul back feed and farm supplies. The managers of some of our smaller branches tell us that at one time the branch served as a center of recreation during the winter months for many farmers. Our directors would often hold "porch meetings" at the branch, where they could meet and talk with members as they brought in their eggs. However, the "new look" has changed this

situation drastically, and with it, of course, brought considerable loss of contact.

Many cooperatives have committees which they term, "The Little Board," "Junior Board," "Assistant Directors," and so on. The feeling on these is mixed as is apparent today. Our general manager, L. N. Thompson, realized the importance of close communication between the director and the member. At several of our Member Relations Committee meetings -- made up of one board member from each district -- we discussed this problem. The directors felt that these committees would be of value. They did feel, however, that each director should decide on his own organization. The board felt that the title, "Director-Member Contact Meeting," should explain the function of these committees. They also said that the only active part they would take in the meetings would be merely to lend their presence to answer questions. Management would not take a part unless specifically requested to discuss a particular problem.

The directors then organized their own committees, with a member as chairman of each. The meetings were set up on a monthly schedule, with an announcement being carried in our Weekly Newsletter. These meetings, with one exception, are evening meetings and are normally held in the same location each month. One director, however, believes in the no-host supper type meetings with the wives invited.

The meetings are informal. Although there are regular committees, all members are invited to attend. Policy matters are normally discussed and much time is usually spent on a question-and-answer period. Occasionally speakers have been invited to attend. They are usually employees of Nulaid Farmers Association.

These meetings are not all "sweetness and light." One of the main problems is the domineering type of individual who completely takes over the meeting and, over a period of time, discourages attendance on the part of other members. We have had some of our member friends tell us this. Also the question arises whether the new director will be able to properly answer questions on policy matters from members who may be better acquainted with the past history of the association than he is. We hope to overcome this latter problem by having our past directors attend the new director's contact meetings.

Another problem is that although our egg producers provide the majority of the dollar volume of business for Nulaid Farmers Association, they are in the minority. It is something of a problem to have a sufficiently interesting meeting for attendance of dairymen, general purpose farmers, and others. However, this does not mean that they cannot attend. Feed department operations should be of interest to them.

Now we should talk about the advantages. Certainly, the first is that the meetings make it possible for the director to constantly have the pulse of the membership. Secondly, and we say this very frankly, these meetings are a "safety-valve." Our directors tell us this and so do the members who attend.

Next, the members who attend the meeting are then in a position to discuss what they have learned with members who do not attend.

And last, it definitely supplies a closer bond between the members and their association -- it makes them feel that they are more a part of NFA.

In conclusion, we in the NFA management team definitely feel that our Member-Director Contact Meetings are a must -- that they are necessary to properly round out a member relations program.

Could We Do It Better?

Calvin E. Bream

Editor's Note: Mr. Bream summarized remarks of the speakers who discussed motivation, and emphasized the importance of using every available means of motivating members to be active in supporting their cooperatives. He stressed the importance of employees in motivating member interest as follows:

"Employees do not merely represent your co-op. When dealing with customers they are the co-op. Jim Farley once said: 'Personal touch is the most important touch (in public relations), and it always will be unless the good Lord starts making people different than he does.'"

Are Your Public Relations Showing?

Jack W. Pickett

In thinking about the subject assigned to me, I have been forced to conclude there must be something wrong with your public relations. These are my reasons:

1. Many people among my acquaintances do not even know what a farmer cooperative is or what its objectives are.
2. There are those who know that you are farmers joined together to market or process your crops or to purchase some of your farm supplies at a fairer price, in both instances, than you could if you worked alone. But many of these same people believe the U. S. Government has given you advantages over other businesses and that you therefore have a preferred competitive position.
3. Some members of your own communities, with whom your cooperative does business, do not realize the basic facts of your existence -- that you are a legally established business -- that many of you pay the same kinds of taxes other

businesses pay -- that you contribute to your community's welfare by raising the living standards of your membership, by employing local personnel, and by taking part in community projects.

4. In many cases, even your own members don't know enough about their organization to combat the criticism some people level against it.

Why are these facts true? Do you have a public relations program? And, if so, how good is it?

Slouchy and droopy public relations programs are worse than no program. Getting some worn-out old newspaperman to grind out a few crumbs for the public is all too often the approach to public relations.

Competitive businesses that do not like cooperatives should not be allowed to overlook the fact that these farmer-owned organizations originated because of abuses in the marketing of agricultural products. They should be challenged to take into account, too, the improvements and the great degree of stabilization that have come into agricultural marketing largely as a result of farmers' efforts to help themselves through their cooperatives. Other businesses need to be reminded of these facts, too, and it is up to your public relations program to do the reminding.

A fine example of the effect of agricultural cooperation on other business is in the farm credit system.

Many years ago editor Wickson of our paper was one of a commission sent to Europe to study credit systems. Private banks at that time were not properly geared to finance all of agriculture's needs.

Eventually the farm credit system was born out of the recommendations of that commission with some initial capital supplied by the Federal Government. Farmers were pulled in right out of the fields and made into bankers and loan committees. It seems incredible but in a short time they were doing a remarkable job. They made credit fit the farmer's need -- whether it was short-term, intermediate, long-term, or financing of a cooperative.

Soon these credit co-ops were paying back to the Government the money originally borrowed. Recently the local production credit associations in the field started buying out the 12 district intermediate credit banks serving the Nation. They were able to reduce the banks' already small staffs. But the biggest job the farm credit system did was to point out to commercial banks how to make farm loans and that such business could be profitable if handled correctly. Many commercial banks subsequently changed their systems in line with what the farmers' own credit co-ops had learned, and now are doing an effective job of taking care of the farmer's credit needs.

An excellent example of good public relations also comes from the field of agricultural credit. Before World War II, I worked for a production credit

corporation. As you know, this was a rather successful attempt at cooperative credit.

The short-term production credit loans, usually for a year or less, were set up on a budget basis. This meant that a farmer might estimate his credit needs for the year as \$10,000, but he was charged for no part of the \$10,000 until he actually drew the money. He could draw a little bit every month of the year if he wanted to, but he was charged interest only on the amount he actually had in use.

Compared with systems under which farmers formerly had to borrow, this was pretty cheap money. At the end of the year the production credit association would give the farmer a clear, concise record of his loan, and at the bottom of the page were his actual interest charges expressed as a percentage of his total commitment. Thus, the credit association was dramatizing the strongest selling point for its services.

Are you dramatizing your strong points? Are you making it clear what benefits your farmer cooperative is able to obtain for its members, and what is it doing for the community in which it operates? If not, your co-op management should re-evaluate its public relations program -- and perhaps its membership relations program, also.

SESSION III

Thursday Morning, February 25, 1960
Chairman: Edward Barmettler

SOME SPECIAL ASPECTS OF THE MEMBER RELATIONS PROGRAM

Edward Barmettler

The very fact that we are gathered here to deliberate upon and evaluate membership motivation is indicative that we are dealing with some very complex human forces -- forces that cannot be reconciled with economic theory alone. To fully understand what we are dealing with we must avail ourselves of the theory and experience of many, if not most, of the social science disciplines including economics, philosophy, sociology, psychology, ethics, jurisprudence, pedagogy, and others of the sciences dealing in the value development of society.

The Aspect of a Cooperative Leadership Cadre

It is first of all most difficult to separate from the total complex of cooperative structure and activity the thing we have chosen to call membership relations. We are aware of the general scope of human activity that encompasses this overlapping segment of cooperative enterprise, but we lack a great deal of theoretical and practical specification. This want of specification is to some extent due to the lag in research and education done in our institutions of higher learning dealing in both theory and the applied aspects of cooperatives in economics and the related sciences. Work done in these areas is usually more related to description than to theoretical experimentation and investigation.

Those of us gathered here today, I am sure, are keenly aware of the difficulty of conveying to others the nature and potential value of cooperative membership. Without a sound theoretical foundation and a practical understanding of that foundation by the cooperative leadership, practice in the field is akin to witchcraft. Cooperative leadership under these conditions is faced with making important policy and management decisions based upon relatively unscientific hit-or-miss methods. The problem is complicated when the individual leader is moved to bolster his policy and management judgments with propaganda steeped in generalities rather than fundamentally supporting principles.

Without the tools of understanding, attitude, appreciation, and ability as applied to the leadership position of cooperative enterprise, the job of effectively developing these same characteristics in members cannot be readily

accomplished. The number one aspect of the membership relations program in my judgment is a well-educated leadership supported with sound theory and experience practices.

The Nature of Membership

People probably participate in cooperative action for a number of reasons, not the least of which is for economic advantage. In a social system predicated on a more or less free or private enterprise system, the individual who wishes to participate must know and be able to defend his motives economically or on some ethical or sociological basis. If the member's motives can be defended upon the basis of economics, it goes without saying that somewhere the member must acquire some knowledge of the potential economic benefits from participation.

This essential appreciation and understanding may not be so difficult to develop in the individual during the initial stage of cooperative organization. Potential services and ultimate savings are more apparent to individuals who are suffering under certain economic inequities or stress.

But what about the individual whose alternatives are several, including cooperation? How does he acquire the necessary zeal to become and stay a good member? Certainly attitudes necessary for such a person to choose to become a cooperative member need to be developed sometime before he is faced with decision.

This puts the membership relations program of established cooperative organizations into a much broader scope than dealing purely with existing membership groups. It means that the cooperative needs to create in the general public an acceptable image, but more important this image must contain characteristics which will ultimately lead those who are able to benefit to choose the cooperative system. A membership relations program so oriented as to take into consideration future potential members can hardly be satisfied with the minimum efforts of membership drives and hit-or-miss communications.

Membership relations taken in a forward-looking framework must include planned and coordinated efforts of all who are members and particularly those who serve in management and policy-making positions. The program must contain the flexibility for orienting and educating both present and future potential members. It must further contain the means for advancing present and perhaps different future objectives of incorporate membership.

The second most important aspect of a membership relations program, in my opinion, is one predicated upon sound present and future economic and social goals with the ways and means for advancing understandings, ideals, and appreciations to those who are now members and those who will become members or leaders of economic cooperations.

Employee Responsibility in Membership Relations

Certainly one of the most important image creators in the minds of members and

nonmembers alike are the people who are paid to represent the cooperative organization on a day to day basis. Any organization probably would do well to include this very important group in their membership relations program efforts. In reality, the economic and social objectives of employees and members must somehow be brought into harmony. For all intents and purposes, employee loyalty is probably first of all related to remuneration for the services he performs; but secondly, it must be based upon his understanding and appreciation of the economic contributions his outfit can make to the community. Certainly an organization which hardly competes and excels in the game of economic competition and in social acceptance will have few employees who will advance the non-existing virtues of such an organization.

The Aspect of Economic Benefit

When all is said and done, the one aspect that transcends and encompasses all other aspects is the reality of continuing economic benefit in belonging to a cooperative business organization. If, in fact, there are no such economic advantages, no amount of membership enticement or propaganda is likely to attract the type of membership reaction desired. Cooperative methods also contain some very important noneconomic values, but these values may be negated where temporary economic leverage can be applied by noncooperative enterprise.

Cooperative members must understand the increased amount of added services that are today being included in farm products retailed to the consuming public. It is not enough for producer members to be made aware of the relative portion of the consumer dollar they receive at the farm level. They need to be made further aware of costs of performing the added services and realize that regardless of who does these services, they must somehow be paid for. This implies that producers must develop a type of internal discipline which will contribute to the increasing demand for specified product for rather specific markets. It seems to me that these aspects are also a proper concern for membership relations.

Member Relations -- A Family Affair

Bruce B. Strachan

A few days ago I attended the annual membership meeting of a farm supply cooperative where the president made a remark that I believe fits here.

Said he: "The advance of nearly every industry in the country can be traced back to the work of someone, or an organization, that was outstanding in its field. Now the industry of agriculture is caught in a rapidly changing world with a shift toward integration -- or perhaps vertigiration is the more descriptive word. If the modern farmer does not change and adapt himself, he will soon be left out -- standing in his field."

Cooperation - How Can We Get It?

As we get into our assigned subject of "Member Relations -- A Family Affair" within the framework of our general conference on Motivation for Member Participation, I wonder if you folks here will help me with a little preliminary survey.

In my coat pocket I have something I would like to have described in one or two simple sentences -- and then see how much agreement we have on the part of the whole audience with this preliminary description.

How many of you will help me? O.K. - Here's the count:

First, the show of hands of those who are willing to help at this time shows a count of 2.

Second, out of this entire audience of about 60 persons, this shows a response of approximately 3 percent.

Thank you very much. May I comment now that the response of our group here is perfectly typical of other groups where we have tried this out and is typical also of the reaction I would have myself under like circumstances. In just a moment, let us come back to see what conclusions we can draw as to:

First, the number of people who are willing to venture help on a new project without advance information and understanding.

Second, the general group attitude or reaction toward a new project without advance preparation and acceptance.

From earlier presentations we have become familiar with the sequence of stages in a long-range educational project. In our youth program, starting from scratch, the typical sequence might be:

- A. Inspiration -- to arouse interest and kindle enthusiasm.
- B. Information -- the road to success used by others may be the way for us, too.
- C. Participation -- the boys and girls, as well as adults, want to enjoy the thrill of playing on the team.

The Goals Before Us

Now let us clarify our goals -- what we are working for as we look down the family road ahead:

1. Youth education on cooperatives -- with emphasis on youth participation. Therein is our long-range future.

2. More adult information and understanding about what makes a cooperative successful -- hand-in-hand with our youth program.

3. Follow-through on all educational programs to reap the payoff in improved business.

Preliminary Survey

In preparing the organizational groundwork for more improvement in cooperative member relations -- family style -- we checked on a number of youth programs that make use of some sort of Co-op Quiz. Both California and Washington have quiz contests in which large numbers of high school boys, particularly Future Farmers of America chapters, participate.

It appeared, however, that it would be a desirable goal to have more active participation on the part of the farmer cooperatives in the various communities and more participation and attendance on the part of adults, family style. As to the looming problems of integration of farmer cooperatives or to the regional or national scope of farmer cooperatives in marketing or purchasing, there appeared to be little penetration so far as youth education was concerned.

But in traveling across my home State of South Dakota years ago to attend an eastern session of the American Institute of Cooperation, we found that in many communities a "Neighbor Night" program, sparked by the Consumers Cooperative Association of Kansas City, had rolled up tremendous attendance figures year after year. In Lemmon, S. Dak., for example, five local cooperatives had teamed up to draw an attendance of some 1,500 people on their fifth annual Neighbor Night program.

But when we asked about what features were used to draw such large crowds the answers varied -- just a big social dinner with an inspirational talk on cooperatives or a report on local co-op progress, perhaps a spelling bee, or a square dance for everybody.

Would it now be possible in the Pacific Northwest, we wondered, to combine the all-out family-style participation of these Midwest events to the educational-type programs for youth in the Far West? Couldn't the Quiz Contest approach on a team basis among the local FFA Chapters be developed to draw a crowd of local boosters that would fill the parking lots as tight as on the nights of the high school basketball games?

And how about cooperation between co-ops in putting up some really worthwhile contest awards so that the goodwill generated could find expression in the form of more patronage and thereby make the whole project pay off in terms of good business as shown on the annual financial statements?

A Pacific Northwest Case History

If we may now have the lights turned down so that we can show some color slides

taken at Junction City, Ore., we will endeavor to present a report on the development of a Co-op Neighbor Night and Quiz Contest program over the past 4 years.

The two local participating cooperatives -- Grange Oil Company of Linn and Benton Counties and the Eugene Farmers Cooperative of Lane County -- had both gone through some rough years and realized that the educational and organizational groundwork for the proposed program wouldn't be easy. Before launching any sort of ambitious program, the leaders knew that they would have to prove themselves to win acceptance and build confidence.

Here we have photographs of how part of this was done. On a raw February 2 (Groundhog Day), I recall that Grange Oil recruited some 16 fieldworkers who fanned out by 2's on a neighbor-to-neighbor field day and asked a long list of specially selected prospects what they needed in the way of farm supplies during the coming year and about when they wanted them. The outcome was a nice pile of 3-by-5-inch cards for the co-op's regular salesmen to use in contacting the prospective new patrons to give needed technical information, quote specifications and prices, and close the sales.

In Lane County, south of Junction City, the Eugene Farmers Cooperative not only got out 16 fieldworkers for their first neighbor-to-neighbor field day, but repeated it again the following year with some 12 FFA boys who acted as secretaries and literally doubled the effectiveness of their manpower for a total of 28 fieldworkers teamed up by 2's. The FFA boys carried the information cards and wrote down the answers during the field interviews as to what supplies the patrons wanted and when they wanted them.

As you can see in the slide photos, the whole group made quite an imposing array. What doesn't show in the photo, of course, is the strong foundation of goodwill and confidence being built under their cooperative. In fact, a few pessimists who predicted that the drive on the second year would flop had to eat their words -- and probably silenced some potential critics who could have made real trouble when the more ambitious programs were launched in the Junction City Neighbor-Night project.

These field drives were actually only a preview to the big follow-through job that lay ahead in the three-county area. Liquid fertilizer was just coming into its own over the area and the rush for service and the demand for nearby bulk tanks might easily have disrupted the long-established trade boundaries between the two co-ops if one was much later starting than the other. But the statesmanship of the two managers concerned -- Dick DalSoglio of Grange Oil and Paul Frantz of Eugene Farmers -- backed up by their directors and staff members soon buried this threat when they teamed up for a joint effort in sponsoring the Co-op Neighbor Night program. It was held at Junction City, which is located at the juncture of Highways 99E and 99W and also where the counties of Linn and Benton to the north, and Lane County to the south come together.

Cooperation between Co-ops

On our slide you can see the opening effort at the first Neighbor-Night program 4 years ago. Two \$60 awards were put up by each co-op to help the four top-scoring FFA boys from the eight competing chapters who entered to attend the Kansas City national conference which comes each year in October. Fifty true-or-false or multiple-choice questions on cooperatives, agriculture, and citizenship in general were used, with the two co-op managers acting as quiz-masters and three prominent local citizens serving as judges.

Actually, recruitment of the parents and key local members to act as monitors by sitting between the boys, in alternate seats, took more work the first year than enlisting the interest of the boys and their vo-ag instructors. But managers Frantz and DalSoglio had foresightedly put up some special merchandise awards to go to the highest-scoring parent-and-son combinations when the quiz scores were added up. While helping educate the youth, the parents were themselves getting a refresher course on the key questions and answers in cooperative success.

The slides show how interest built up in following years until the attendance of about 100 on the first year had been approximately doubled. Refinements had been introduced to include a "reverse-quiz," so that while the judges were out checking the boys' answers, the boys themselves got a chance to shoot questions at a selected panel of adults who were active in cooperatives. Our last panel included W. A. Wright, assistant general manager of Pacific Cooperatives at Walla Walla, Wash.; Lee Garoian, extension economist from the Oregon State College; presidents Shelby and Schrenk from the Tangent and Eugene co-ops; and manager Savage of the local electric co-op. And did these gentlemen get a workout from the boys who were just freshly smarting from their own quiz questions!

The Girls Pitched in, Too

The next slide shows the fresh young faces of the Future Homemakers of America girls who contributed a further new feature to the Neighbor-Night program. It didn't seem fair to give all the spotlight to the boys while the girls simply served refreshments, so young Harold Sickels of Grange Oil proposed that awards be given to the girls also for the best entries in a pie-making contest. The electric co-op was interested in contributing to the prize list for this also.

I'm sorry we don't have a sound recording for this picture for when young Sickels called the winners forward to receive their awards, he paid them off in silver dollars with a clink-clank that could be heard all over the hall. And what became of the pies? Just look at this shot of managers DalSoglio and Frantz pondering the merits of cheese-vs.-ala mode on their pie and make one guess as to where the refreshments for the social period came from! Of course, there were plenty of cookies and doughnuts, together with fresh cider -- from the Apple Growers Association of Hood River, Ore., naturally -- so

that everyone wound up the evening talking cooperation while literally tasting it, too.

And Here's the Payoff

Everyone who entered the door on Neighbor-Night received a freshly sharpened pencil bearing the imprint "Patronage Builds Cooperatives," along with a colored check-off card. The cards listed some 2 dozen co-op supply items to be checked off either "This Year" or "Next," depending upon the degree of interest. Green cards were used for the Eugene Farmers' trade area to the south, while Grange Oil patrons from the north received yellow cards.

At the opening of the program, when everyone was asked to sign their cards and turn them in for the door-prize drawings later, it was emphasized that this was not a high-pressure sales project. They were simply helping their co-op do a better job of procuring the supplies they needed at the time they were wanted -- and to take advantage of any quantity-buying savings possible to pass on where their checked-off answers indicated a high-enough total.

These leads on new business and new patrons were very valuable as the Neighbor-Night programs came year by year. We have found that present patrons in petroleum products and fertilizers sometimes check the cards as if they were prospects too, but these are easily identified. The leads to prospective new business in farm equipment, building materials, fencing, and home appliances have been excellent. For example, a year ago there were six check-offs for home freezers in the Eugene Farmers' cards, and within 2 weeks half of these prospects had bought their freezers. They wanted them in time for the deer-hunting season!

There you have it. It illustrates how it is possible to build goodwill in cooperative member relations -- family style -- and make the good relations pay off in good business, too.

What About Our Audience Survey?

Let us now undertake to find the essentials of a successful cooperative educational program. To begin -- what conclusions can we draw from the little survey we started at the opening of our talk when we showed you our plain white sheet of typewriter paper but with a 1-inch black spot in the center of it?

First -- without information and understanding about a proposed project our impulse is to be cautious and hold back. (Here our participation was 2 out of 60 -- or about 3 percent, and we are presumed to be a picked group!)

Second -- in spite of the fact that the 1-inch black spot was less than 1 percent of the whole area, the observer who volunteered from the audience did as any of the rest of us would; he passed up the 99 percent that was white as the driven snow and called attention to the 1 percent that was black.

Five Points for Success

If we now try to visualize the whole area we have covered, let's see if we can write down the step-by-step essentials for success:

1. Prove yourself. Win acceptance and build confidence to lay a foundation of mutual trust and respect that will help overcome hidden snags or "black spots" later on.
2. Plan carefully. Set up the long-range goals you will work for. Make check-up surveys, compare data, seek improvements.
3. Prepare thoroughly. Be ready to take alternate courses of action in cases of emergency. Re-confirm and strengthen the interest of key people as the project takes form. Several small committees, each with a specific job to do, may accomplish more than one or two large ones where "everybody's business is nobody's business."
4. Act decisively. In initiating the project, give adequate time for planning and preparation. The project may fail if you prematurely open the throttle before building up a sufficient head of steam -- or stall for lack of steam due to delays or postponements that let the fire die down.
5. Follow-through to the pay off. A cooperative operates as a competitive business and we must have follow-through if we are to convert the improved relations or goodwill into improved business. Without business success and advancement that is as good or better than the competition, the other benefits from a cooperative do not flow.

For convenience, let's think of these five check-points for success as the five fingers on our good right hand. Now, let's turn to the fingers of our left hand and recognize five pitfalls that may engulf our project and stop it short of success.

Five Pitfalls

In order to make the illustrations more vivid, let us set up 5 sharpened pegs and mount them in 5 gumdrops before us so that the point of each one will serve to remind us how painful a misstep can be. Perhaps these points should be arranged in a different order of risk for a particular community but I offer the following as the perils have seemed to me:

1. Commercializing an educational program in school presentations. In general we have found the approach of the "Four Kinds of Business" -- Individual, Partnership, Corporation, and Cooperative -- effective and non-controversial. But imagine the fuss a competitor could make with the school board if you start plugging branded products or try to sell a bill of goods under the guise of "education!"

2. Failure to give credit to others. Loyalty, generosity and hospitality all operate on a two-way street but without mutuality the reservoir of goodwill eventually runs dry.

3. Overworking the few -- and high pressure in general. At the level of the individual member the continuance of patronage and support is a voluntary matter -- and anything that leads to deep-rooted resentment or antagonism contains the seeds of self-destruction. It is when co-ops start pressuring patrons that we hear talk about "Co-ops are getting too big."

4. Unclear goals. Do our projects broaden the foundation for new progress or build up our business on a cumulative basis? Without keeping our eye on the long-range goals, it is easy to have a great deal of activity that in effect runs in circles with progress over the long pull adding up to zero.

5. Neglect of "Tempo" -- "There's a time and tide in the affairs of men" and being able to set our timing to row with the tide is a great aid in saving work and temper. Even co-ops in the same locality may have a different pace at which they typically operate. Find the optimum tempo to get things done and work in step with it.

In closing, I am reminded of a story that came out of Hollywood some time ago and is said to be true.

A certain movie magnate had been steadily losing money on his productions and in spite of more super-duper publicity, more high pressure and more salesmen he still couldn't draw enough customers to stop the old law of diminishing returns.

Finally, a lodge-brother remarked with a sidewise look that there was a way to make a sure profit of \$100,000 on his next picture if he could simply head up his billing with three little words. Our movie mogul was all curiosity -- what were those three little words?

The lodge-brother friend then wrote them on a slip of paper -- from which the production head turned away with a sad smile.

The three words on the slip of paper were:

"WALT DISNEY PRESENTS --"

As farm-oriented people, I suppose it is a natural impulse for us always to ask the price first -- and then try to get it cheaper. But we all know that, in farm machinery for example, the cheap price may also mean inadequate repair and parts service, or lack of technical knowhow, so that in the end the cheap price may lead to an expensive bargain. Instead of asking: "What is the cheapest possible price and the least amount of work I can put forth and still get by," why not adopt something like this: "Why be satisfied with less than our best?" Or as Walt Disney might put it: "If we are going to do this project at all, let's do it supremely well."

There was a time back in the 1920's when I remember thinking that in 5 years or so nearly all farm business would be done through farmer cooperatives -- there was so much to gain and so little to lose. But as the early Sapiro-organized cooperatives ran into trouble and the anticooperative people became more vocal, it became more and more clear that this problem of cooperative education and the use of the democratic principles in business is a never-ending one. We are talking to a never-ending procession rather than to a fixed audience.

Now the emphasis is on youth, and with management becoming concerned over steadily rising costs we can expect to hear much more about this -- from the standpoint of hard-headed business. The cost of luring or "pirating" an adult member from another cooperative or other competitor runs high in promotional or selling costs -- and the new patron may not stay very long after all. But the loyalties we learn when we are young often endure. We do not readily change from the church, the political party, or the cooperative that we grow up with. On the basis of dollar returns, in the long run, we may find that cooperative youth educational and participation projects are one of the best business opportunities we have.

In this conference we have heard little, so far, about how to improve relations between the various work divisions of our own cooperatives. Our sales executives, for example, most often operate under terrific pressure to meet quotas and deadlines, with resulting ulcers for the thin guys or heart attacks for the fat ones.

Yet, in the educational and organizational division, the pace may seem unbearably slow to our sales people as we go through the planning and preparation stages of a project. We well know the great waste of time and money when we get off on the wrong road and have to go back and start all over again. Probably half the farmer cooperatives I know have had to go through a recapitalization or reorganization of some kind, with almost always someone rising to say: "If only we had started on this policy (or project) about 15 years ago."

This is only one area for improved relations within our own organizations that could be mentioned. I assume one of the oldest (and still a hot one) is the divergent points of view between the accounting department -- where every cent must be accounted for -- and the expense reports of the salesmen who regard expenditures as necessary in order to land business.

To keep our sense of direction and perspective clear in our organizational and educational projects, I believe it is helpful to think of the two general areas where our problems seem to originate:

A. The area of capital-depletion. All students of cooperative history know that in 1844 -- when the Rochdale pioneers discovered the vital principle of patronage refunds while doing business at going prices, without special reductions or discounts at the time of sale -- cooperatives began to prosper and

get ahead. Yet, how many times do we still hear patrons demand special considerations or reductions in price without recognizing the downhill path of capital-depletion.

B. Depletion of Goodwill. This is probably even more insidious than the depletion of capital because it may be hard to identify on the financial statement. Lack of courtesy, making promises that later can't be kept, high-pressure and fast-buck promotions to keep up appearances when courtesy, honesty, and diplomacy are called for, also can start the business downhill.

Let's keep our work in education and organization on such a high standard that we never need to be apologetic about being identified with the "educational department." When we can be proud of our department and our work, we will find many others who will be proud to accept responsibility and work with us to help along the way. Something like the raising of a sail in the wind -- free men pulling together to lift higher the broad reach of our sails.

At first we will hear people say: "I can't."
But later on they will say: "I can."
And finally they will say: "I can share."
That is the true cooperative spirit.

Then when the budget comes up for consideration in our own organizations before managers and the board of directors, we are much more likely to hear:

"Let's NOT CUT THE BUDGET --

Let's CUT THE MUSTARD!"

Is Credit a Debit in Member Relations?

Lindsay A. Crawford

This interesting and euphonious phrasing of the question is intriguing, to say the least.

First - interesting - as to just what it means.

Second - intriguing - as to just what is the answer.

I interpret this delightful bit of euphony - composed, I am told, by one of our more eloquent compatriots, Alyce Lowrie - as: "Does the granting of time payments in the purchase of goods or services offered by a cooperative become an asset or a liability in the member relations program?"

If there is no objection to this interpretation, and I hear none, then it is simply a matter of unfolding the answer to the question, "Is credit a debit in member relations?" My answer is simple, direct, and unequivocal, namely, "Yes! and then again, No!"

On the "Yes" side - how often have you heard it proclaimed, "We have to extend credit to our patrons to meet the competition." "If we do not give them credit, we will lose the account." "To maintain, or rebuild our volume, we have to finance our patrons." True - all too true in many instances, if that is all you have to offer your patrons. You can buy some patronage by extending credit and thereby increase your volume. It is the obvious and easy way to attain volume.

So you offer credit to numerous and sundry characters. You pick up all the malcontents, the chiselers, the weaklings from all your competitors. Then 3 months, 6 months, a year or 18 months later you wake up to the fact that all these accounts are not being paid, and you start trying to collect.

And what do you hear? It's been a tough year. Crops were not good; prices were down; the cost-price squeeze is on. So, things being tough all around, the obvious thing to do is to extend the repayment schedule and, of course, give a little more credit just to carry your patrons along.

Now you are up to your chin, if not swamped; and you might as well admit it. Through bad judgment you have loaned your patrons into insolvency. You have either broken your association or seriously impaired its financial position. You are in real trouble.

Actually, you did not increase your dollar volume of sales 1 red cent. All you did was give away the goods or services involved in these transactions and, in the process, you seriously impaired or broke your customers. Did you gain any appreciation? Any loyalty? Any business? No! All you did was debit the membership relations account.

Now this is no fairy tale. The record in cooperative circles is replete with just such tragedies as I have thus loosely described.

How does it come about? Mainly because farmer boards of directors do not understand the problem. They permit salesmen, field technicians, or production specialists to design, install, and run the credit end of the business. No commercial firm worthy of the name would countenance such a thing for a minute.

Credit is an art -- if not a science -- all in itself. Like any other technical field, it needs training, experience, competence, and direction if it is to function satisfactorily.

Fortunately, among our cooperatives we find some who have recognized the importance, the place, and the basic principles of credit, and as a result have developed the use of credit into an asset in member relations.

How did they do it? This is how:

1. They established a credit department with objectives, rules, regulations, and orders set forth by the board of directors after competent advice from their auditors, bankers, and attorneys.
2. They hired a competent credit manager, accountable only to the general manager or to the board, and gave him such staff and assistance as the circumstances indicated.
3. They properly and adequately capitalized this section or department of the business, so that it could be financed without impairing the activities or credit position of the other departments.
4. They established operating margins sufficiently large to pay all operating costs, to cover current losses, and to build reserves against contingencies which are bound to be met over any extended period of time.

Such programs, put into effect and properly administered, can contribute and have contributed to the added benefit of the cooperatives' patrons. They appear as an added service of the association. They may have contributed to an increase in the main volume of business, or enabled the association to "hold its own" in the face of determined competition. It is doubtful that they contribute any more toward loyalty or adherence to the association than the services of any other department. Patrons' loyalty is peculiarly attached to net dollar returns.

With the great dependence today upon credit in all avenues of American business, and with the marked tendency toward the "one-stop" service plan, there is no question but that some kinds of cooperatives will meet their competition by offering credit along with their other services. This offering of credit may be accomplished in a number of ways or by way of any one of a number of plans already developed. To be an asset in member relations, it must be well-conceived, well-planned, and well-managed. Otherwise, credit can only be a debit in member relations.

Now, I hope I have aroused the ire in some of you to the point where you will challenge my contentions -- for I long for the opportunity to knock you down, one by one with my unqualified and unequivocal rebuttal -- "Yes!" and then again, "No!"

Handling the Hot Potatoes in Membership Relations

G. Alvin Carpenter

We have had several good talks presented in this conference outlining many of

the fundamentals for an improved membership relations program. We all realize there are certain truisms we must always remember. Three such truisms are:

"Understanding always precedes cooperation."

"It is human nature to be against a thing until you understand it."

"What a person does not understand he suspects."

There are many other such truisms that indicate the importance of a sound, active membership relations program.

We know that before effective learning can take place, the learner must become active either mentally or physically. In other words, the learner must become "involved" in the program or in what is going on.

Up to now in this conference, most of us have been listeners. I now propose to provide a situation where we can all become involved in active discussion of some of the so-called "Hot Potatoes" in membership relations. The material which has been passed out will give you some questions and problems for consideration. You are invited to choose any one of the 35 questions listed or throw in for discussion any other you may have in mind. We have about 1 hour's time and let's make the most of it.

I won't guarantee to answer all these questions myself, but I know that in this room we have the collective experience and brains to bring out some very good answers. I am sure we can benefit from the exchange and "cross fertilization" of ideas of those present.

You Take It From Here

J. K. Stern

The greatest benefit from this type of meeting can come from the exchange of ideas between people in this room. Each should put the other on his mailing list for newsletters and co-op publications. Not many of us get an original idea, but we can always improve on one that someone else started with.

We know how to solve most of our problems -- we don't solve them because of "people." In this field of member relations the big factor is the human one. Good operation is essential, but it is not enough to hold an organization together through difficult times.

More than ever before, the member relations problem in the 60's will be concerned with the big and the little producer in the same organization, the commercial operator, and the one who produces crops as an avocation. The aims and objectives of these two groups are often far apart.

We need more emphasis on young men and women in our member relations effort -- need to have advisory or junior boards, more committee assignments, additional responsibilities for the 20 to 30-year age group, to keep them interested and to prepare them for heavier organization responsibilities later.

There is need for more honesty and frankness in our member relations effort -- need for quickly admitting and correcting mistakes, or having a letters-to-the-editor department in our magazine so that members can blow off steam and you can answer their criticism; need for more emphasis on open-minded approaches to our production and marketing problems rather than indoctrinating members to an arbitrary point of view; need for recognizing that other cooperatives are important, too, for your members in providing certain services such as credit. No cooperative stands entirely alone today.

PARTICIPANTS IN THE CONFERENCE PROGRAM

Walter Anderson	- Poultrymens Cooperative Association of Southern California, Box 23415, Lugo Station, Los Angeles 23, California
Edward Barmettler	- Department of Agricultural Economics, University of Nevada, Reno, Nevada
Rex L. Blodgett	- Idaho Potato Growers, Inc., P.O. Box 978, Idaho Falls, Idaho
Calvin E. Bream	- Manager, Agricultural Department, Los Angeles Chamber of Commerce, Los Angeles, California
Felton B. Browning	- Supervisor, Growers Service Division, Sunkist Growers, Inc., Box 2706, Terminal Annex, Los Angeles 54, California
Ralph B. Bunje	- General Manager, California Canning Peach Association, World Trade Center, Ferry Building, San Francisco, California
G. Alvin Carpenter	- Extension Economist, California Extension Service, Gianinni Hall, University of California, Berkeley, California
Lindsay A. Crawford	- President, Berkeley Bank for Cooperatives, Farm Credit Banks of California, P.O. Box 527, Berkeley, California
H. S. Dixon	- General Manager, Tillamook County Creamery Association, Box 313, Tillamook, Oregon
C. K. Ferre	- General Manager, Utah Poultry & Farmers Cooperative, P.O. Box 1620, Salt Lake City, Utah
Richard Johnsen, Jr.	- Executive Secretary, Agricultural Council of California, 1400 Tenth Street, Sacramento 14, California
Ken Kitch	- Head, Department of Agricultural Journalism, California State Polytechnic College, San Luis Obispo, California
Al Lamb	- Manager, Morrow County Grain Growers, Lexington, Oregon
Alyce W. Lowrie	- Director of Information, Agricultural Council of California, 1400 Tenth Street, Sacramento 14, California

PARTICIPANTS IN THE CONFERENCE PROGRAM

- | | |
|-------------------|--|
| Frank Melchoir | - Manager, Member Relations, Nulaid Farmers Association,
2700 Merced Street, San Leandro, California |
| Jack T. Pickett | - Editor, California Farmer, 83 Stevenson Street,
San Francisco, California |
| Irwin W. Rust | - Chief, Membership Relations Branch, Farmer Coopera-
tive Service, U.S. Department of Agriculture,
Washington 25, D. C. |
| Jack Shepherd | - Director of Public Relations, Calavo Growers of
California, P.O. Box 3486, Terminal Annex, Los
Angeles 56, California |
| J. K. Stern | - President, American Institute of Cooperation,
1616 H Street, N. W., Washington 6, D. C. |
| Bruce B. Strachan | - Organization & Relations Counselor, Pacific Supply
Cooperative, Box 4380, Portland, Oregon |
| S. S. Sutherland | - Head Teacher Trainer, Department of Agricultural
Education, University of California, Davis,
California |

